Saturday Night

Canada's Magazine of Business and Contemporary Affairs

JULY 5TH 1958 20 CENTS

Canadian-UK Banks Combine To Develop South American Trade

BY ROBERT JAMIESON

Red Direction Feared In BC Terror Wave

BY DAVID KAHMA

Free Dope For Addicts May End Drug Traffic

BY GORDON DONALDSON

Have Rising Prices Reached Their Peak?

BY MAURICE HECHT

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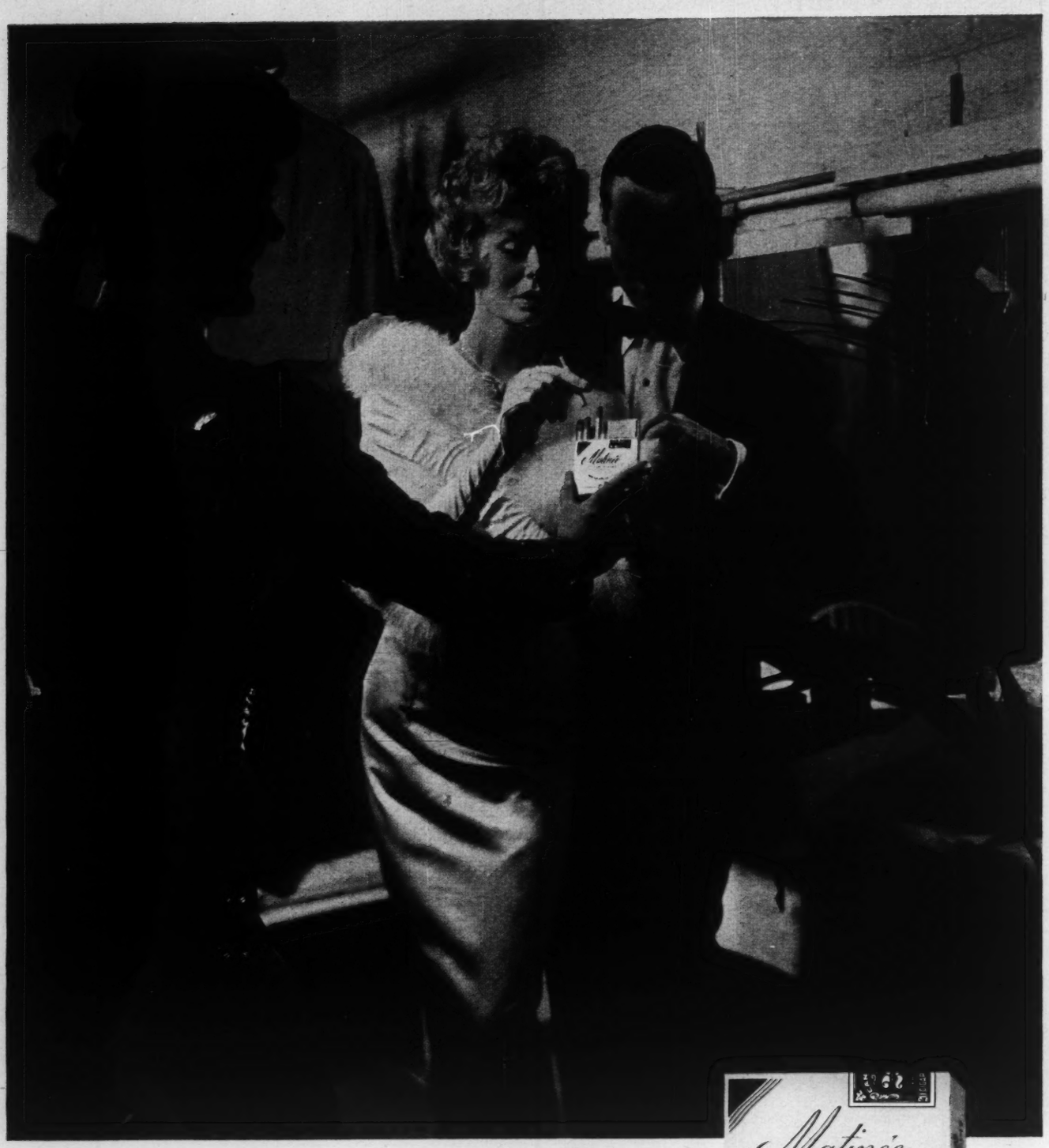

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Robert Jamieson

Robert Jamieson of the Montreal *Gazette*, in an article on Page 7, reports on the formation of a new bank—The Bank of London and Montreal—for the development of Caribbean trade. The new bank will be jointly owned by the Bank of London and South America and the Bank of Montreal. Mr. Jamieson has recorded an interview with Sir George Bolton KCMG, chairman of BOLSA.

David Kahma

David Kahma, a Canadian-born writer of Finnish-Irish parents who has taken a scholarly interest in British Columbia's Doukhobors for almost 20 years, offers some of his conclusions in an article on Page 8. Mr. Kahma suggests the Doukhobor Problem was largely created by the "extreme ineptitude" of former governments, federal and provincial. He sees in the most recent acts of violence signs of Communist intervention which could have serious international implications.

John A. Stevenson

John Stevenson, SATURDAY NIGHT's parliamentary correspondent, comments on Finance Minister Fleming's "Blue Budget" in a cover story beginning on Page 14 and sketches the career and personality of the second-ranking minister in the Diefenbaker cabinet. Mr. Stevenson's article is in addition to his regular column, *Ottawa Letter*, on Page 4.

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Letters

No Part

"Prithee, Paulina, what thinkest thou
That I, proud Hermione, Queen of Sicilia,
Unhappy heroine of The Winter's Tale
Should be portrayed by Charmion King
Upon the boards of Stratford Town
As one Viola, storm-tossed and clad, forsooth,
In gentleman's attire?

The great McKenna did that role assume
full well, some season past . . .

Methinks I have no part in this Twelfth Night
And learnèd Mary boobed in Sat'day Night."

WESTMOUNT, QUE. MARGUERITE CUNLIFFE

Things That Are Not

Would you please tell Mary Lowrey Ross that I am amazed that such a brilliant woman should not know what is on at Stratford this summer and should think that Hermione is a character in *Twelfth Night.*

Twelfth Night was at Stratford last summer, and Hermione is the Queen in the Winter's Tale, which is booked for this season, and in which presumably Charmion King is being featured.

How did a literary journal like SATURDAY NIGHT let such an error go through?

HAWKESBURY HAZEL G. MORSE

Editor's Note:

O hateful error, melancholy child!
Why dost thou shew to the apt thoughts of men
The things that are not?

Julius Caesar, Act. v, sc 3

Arab Refugees

Rabbi Feinberg's call for an "independent, clear-headed, courageous" Israel policy in Ottawa will be hard to come by precisely because of the supercharged emotionalism and outlook displayed by men like the Rabbi himself. For to penetrate the propaganda curtain surrounding the issue is almost beyond the ability of the average politician.

Your correspondent's vitriolic attacks on Mr. Dulles are now quite common, though they cut little ice. Because Mr. Dulles apparently woke up in time and is no longer (we hope) being bamboozled by the volatile, well-oiled Zionist lobby in Washington, is indeed a cause for rejoicing, rather than regret. Maybe at long last truth and justice are being cast on the vexed issue . . .

Fortunately, however, for the common good of the whole Middle East, including Israel, an ever-growing number of Jews both here and in the US are coming to realize that Mr. Ben-Gurion's high-handed methods aren't only in violation of UN conditions, generally, but a clear-cut break with Jewish moral tradition as well.

VICTORIA L. B. RYAN

Leadership Where?

Maxwell Cohen's article on Leadership recalls the melancholy Leadership League founded by the late George McCullagh during the ascendancy of Hitler and Mussolini. At that time, thousands of people rushed to join the Leadership League, without taking the trouble to inquire who was heading the League or where the League itself was heading.

The organization petered out, as it was bound to do. It seems to be the fate of Leadership cults to end in either a bang or a whimper.

PICKERING GERALD NORMAN

Cracked Code

While the problems presented by Dorothy and Louis Crerar in your cryptic crossword puzzle are often highly ingenious, some of them are so far-fetched that it would take the experts who cracked the Japanese Navy Code in the South Pacific to work them out. How, for instance, did the Crerars arrive at their particular solution for the poser, "With which Rubenstein opens his recitals but not his instrument".

A more logical variation of the question might have been, "With which it is inadvisable to try to open a can of sardines". (Answer: piano keys)

BRANDON TOM MITCHELL

Garden Roller

It seems to me that your editorial "Block that Poll" misses the point in equating public polls with newspaper reporting and street-corner gossip. The latter represent individual, or at most, minority thinking, and help to encourage the expression of opinion. The polls bring the whole weight of mass thinking to bear on both opinion and results.

In other words, you don't stimulate the grassroots by going over them with the garden roller. You just press them into conformity.

REGINA — WALTER S. GLOVER

The Written Word

Robertson Davies states in your last issue that "it is perfectly possible to be an effective writer and a boob as well". How does Canadian literature measure up under this criterion? For my money, most Canadian writers are neither boobs nor effective.

WINDSOR — RAYMOND GUILLAUME

. . . how can a boob be an "effective writer"? To be effective a writer must communicate his ideas and feeling to his reader—a pretty hard job for the average boob. But possibly a boob is merely a writer you don't like.

SASKATOON — J. B. PRINCE

Let's admit that your book critic, Davies, writes effectively. Now those of us who disagree with his biased ideas and bigoted prose are happily provided with a new definition for him . . .

OTTAWA — J. PARKER PIECE

. . . Canadians are far too serious and sober-minded to be either boobs or effective writers . . .

TORONTO — WILLIAM WELLER

Labor Minister

Thanks for your unbiased and effective article on Mike Starr. May I congratulate your paper, long regarded as a mouthpiece for the bosses, on its recognition of a sound and intelligent man who has risen to responsibility through his own efforts.

OSHAWA — GREGOR ROMAN

. . . in all that emphasis about the cleaner's shop there was the flavor of your familiar down-the-nose attitude. Ordinary people just don't like it. But to those who know Mike Starr, your writer did a pretty fair job.

ST. CATHARINES — P. L. WALLACE

To quote from your article, "Service at the Cleaner's Shop", "Being the only member of the Diefenbaker cabinet without a university degree or its equivalent doesn't bother him" (Labour Minister Starr) . . As a matter of fact, it's an advantage, says Starr".

This point of view represents the anti-egghead attitude towards education that flourished on this continent until the Soviet hoisted its Sputniks. Apparently it still persists in such isolated communities as Oshawa.

VICTORIA — J. W. T. BROWN

Who will help Gabriella?

Gabriella is six, the eldest of three children. She never slept in a bed. She goes to school because she gets one free meal a day. She has no others. She never owned a toy. Home is a hut, 9 x 12. The walls are of cardboard in spots where the logs have rotted away. The floor is earthen . . . there are no facilities. Gabriella's parents survived the war in Italy, but now there is no employment. Their hearts are torn, for they cannot help their child . . . not even comb her hair . . . they do not own a comb. Gabriella's hunger is unappeased, her misery deep. She cannot smile. Help to this family means hope instead of despair . . . a chance to live. Won't you help her and her weary parents or other distressed children . . . many without one or both parents? They can only look to you.

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Ottawa Letter

by John A. Stevenson

Morality in High Places

THE FEDERAL BUDGET for the fiscal year 1958-59, which the Minister of Finance submitted on June 18 had no sensational features but it will provide abundant material for controversy inside and outside of Parliament. Spokesmen of the opposition insist that Mr. Fleming's estimate of a deficit of $648 million for the current year is ridiculously below the true figure and that when items like the deficit of $190 million on the operations of the Old Age Security Fund are provided for, the total deficit will reach the grim figure of $1,150 million.

Mr. Ian Macrae, the President of the Canadian Manufacturers' Association likens the Budget to the curate's egg which was "good only in parts," and his praise is reserved for the proposals about new and anti-dumping legislation, which is reminiscent of tactics about trade adopted by the Bennett Ministry during an era of depression. The woollen manufacturers are naturally pleased at being given some relief from the harsh competition of imports from Britain and securing a prospect of higher duties against other foreign competitors. Other beneficiaries of the upward changes in the tariff (like iron and steel components) will share their satisfaction.

But there is great disappointment in Windsor, where unemployment is very serious, about the failure of the budget to give a stimulus to the local automobile plants by the removal of the special excise tax on cars or at least its further reduction. The producers of electrical equipment are equally aggrieved. Naturally the western supporters of the government do not like the protectionist tendencies of the budget because they imperil their political futures but it is doubtful if any of them will risk the displeasure of their leaders by making violent protests against them as a form of insurance for their seats.

The Liberals will ring the changes upon the absence in the budget of any broad constructive plans for coping with the depression and the unemployment which is its fruit and they will accuse the government of pursuing a policy of drift, while at the same time they are busy wiping out the substantial reduction of the national debt, accomplished by the wise financial policies of Liberal Ministries. The spokesman of the C.C.F. will say that the budget exposes in high relief the fundamental flaws and weaknesses of the capitalist system of free enterprise, which, in their view, invariably brings depressions in the wake of booms and that it supplies evidence that the Tory party is just as incapable of assuring the mass of the Canadian people a permanently high standard of living as the Liberals were.

The British will dislike the higher barriers against their exports of woollen goods and will ask what have become of the glittering hopes raised by Mr. Diefenbaker about a large expansion of Anglo-Canadian trade and will abandon hope of garnering much useful fruit from the economic conference in Montreal. The Americans will pronounce unfair some of the charges levelled by Mr. Fleming at the actions of their government in the fields of grain marketing and tariffs but they may take some note of his threat of drastic measures for the correction of our adverse balance of trade with them. This first budget of the Diefenbaker Ministry had a mixed reception from the Press but the friendly Montreal *Gazette* says that while the impact of the recession made budgeting for a deficit inevitable, the size forecast for it gives ground for anxiety. The budget also reveals the decision of the government to resort to manipulation of tariffs rather than tax cuts for the stimulation of economic activity.

Britain's Macmillan: Perfect performance creates a favorable impression.

Harold Macmillan, the Prime Minister of Britain by reason of the facts that he had lived for a time in Canada in his youth and is by blood half American and half Scottish, was more at home in Ottawa than any of his recent predecessors and he made a very favorable impression upon the ministers who had discussions with him and the general public.

The speech which he delivered to a joint session of our two Houses of Parliament was almost a perfect performance for such an occasion. In his diction there was a polished elegance which none of the spokesmen of our Parliament began to match and he skillfully mingled reminiscences, which were lightened by touches of humor, with serious observations. Naturally he steered clear of pronouncements of policies but he dispensed some wise advice, to which our present rulers should take heed, about the dangers of the abuse of the temporary power conferred by a large parliamentary majority and he gave an admirable exposition of what he regarded as the proper aims and ideals of the free democracies.

Mr. Macmillan insisted that for the western democracies their best weapon for winning the cold war against Communism was a demonstration of the clear superiority of their ideals. But he probably did not realize that neither Canada nor the United States could be efficient warriors in a battle of ideals until there was a marked improvement in standards of administrative morality in their high places. The mounting list of deplorable lapses from the canons of public morality required of servants of the state on this continent must be grist to the mills of Russian and other critics of the democratic system.

Here in Canada administrative scandals have been responsible for the resignation of one Minister in British Columbia and two in Ontario and in Quebec the newspaper, *Le Devoir,* had made sensational charges, which reflect upon the integrity of certain members of the Duplessis Ministry and some of its high officials. Simultaneously in Washington Mr. Sherman Adams, the right hand man of President Eisenhower, was called upon to answer serious charges that in return for generous gifts he used his powerful influence to extricate a textile magnate, who was his personal friend, from embarrassing difficulties with the Government of the United States. Every Minister or high official who strays from the firm path of public virtue weakens the capacity of the western democracies to win the war of ideals, which Mr. Macmillan wants us to wage.

Our Prime Minister obviously enjoyed himself in the role of host to such a distinguished visitor and during the visit his coinage of the word "futilitarian" enabled him to join the late President Harding, the perpetrator of "normalcy", in the ranks of statesmen who invented a new word. But he must have surprised his guest

by his intervention to prevent Tom Earle, the Ottawa correspondent of the CBC from asking Mr. Macmillan whether the issue of free trade between Britain and Canada would be raised at the approaching economic conference in Montreal. The intervention was superfluous as Mr. Macmillan in an earlier interview had intimated that this issue would be raised.

Dr. Sidney Smith must be ruing the day that he left the tranquil academic cloisters of Toronto to embark upon the stormy waters of politics as Secretary for External Affairs. No quarrel can be found with his views upon international problems, which are distinctly liberal, and he is rated a good administrator of his department but his maladroit performances in the House of Commons have evidently destroyed the confidence of the Prime Minister in his skill as a parliamentarian. The debate on the agreement with the United States about NORAD was obviously the pigeon of the Secretary for External Affairs, but the Prime Minister must have regarded it as too delicate a matter to be entrusted to Dr. Smith, as he took personal charge of it. There was however a flavor of futility about the discussion, because all parties endorsed the basic principle of the pact and the only real point at issue was just how far Canada had parted with effective control of her air forces, which had come under the joint command established in Colorado.

Mr. Diefenbaker, sensing that the arrangement involved Canada's policy about defence in a measure of subordination to the decisions of Washington and so he labored successfully to prove that the decision to conclude the pact and its basic provisions had been virtually settled by the St. Laurent Ministry before it left office. But less convincing were his efforts to rebut the charges of Mr. Pearson that the pronouncements of Ministers about the pact has been equivocal and contradictory in some cases and that they had badly fumbled the exposition of its merits to the Canadian public. Dr. Smith was given a crumb of comfort by being permitted to make some cursory observations about the agreement later in the debate.

The result of the provincial election held in Manitoba on June 17th showed that the tide of popular favor for the Progressive - Conservative party is still running fairly strong, but that the momentum, which gave it a clean sweep of the province's 14 Federal seats on March 31, has slowed down. A net gain of 15 seats, which raised its total to 26 out of the 57 seats has given it the largest group in the new legislature, but since it is faced by 19 Liberal-Progressives, 11 members of the CCF and one Independent, it does not command a clear majority.

The quota elected by the Liberal-Progressive party has been pared down from 34 to 19 and, since its retention of only one third of the seats in the legislature implies a decisive condemnation of its record, which was the basis of its claim for a fresh mandate, the Campbell Ministry, if it clings to office and tries for a vote of confidence from the new legislature is unlikely to win the support of the CCF. Its provincial leader, Lloyd Stinson, is virtually certain to take the view adopted by Mr Coldwell after the Federal election in June 1957 that since voters pronounced their dissatisfaction with the record of the St. Laurent Ministry, it had outlived its usefulness and must make way for an administration formed by the Tory party, which had returned the largest group in the New Parliament.

Dr. Sidney Smith: A flavor of futility.

Accordingly it seems probable that Duff Roblin, whose personal prestige and popularity made a large contribution to his party's success, will get a chance to fill the office held by his grandsire 50 years ago and prove his mettle as an administrator. Important factors in the defeat of the Liberal-Progressive party were a widespread feeling that its domination of the legislature, which has lasted without interruption since 1922, had lasted too long and the intermittent fire of sharp criticism maitained by the Liberal Winnipeg *Free Press* against the Campbell Ministry before the election, during which its resumption of support came too late.

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Saturday Night

British banker Sir George Bolton believes that trained personnel can spearhead business drive.

Trouble in Far Eastern countries gives new direction to the flow of capital. Canada must find increased markets for manufactured goods and Latin American countries offer the brightest prospect.

Canadian, UK Banks Combine to Develop South American Trade

by

Robert Jamieson

THE WESTERN WORLD'S trading area is shrinking. Large accumulations of European capital are no longer seeking outlets in the Middle East, the Far East, or to any great extent in Africa. Instead this capital is being directed to Europe, the Americas and the Commonwealth.

This basic change in world capital investment patterns was outlined recently by Sir George Bolton, KCMG, chairman of the Bank of London and South America and former executive director of the Bank of England. Sir George said in his Montreal visit it was because of this change that his bank, BOLSA, in conjunction with the Bank of Montreal were forming a new bank—The Bank of London and Montreal—to service the Caribbean area.

The Bank of London and Montreal, to be owned and controlled jointly by BOLSA and The Bank of Montreal, will have an authorized capital of $20 million. It is expected the 14 existing BOLSA branches in Guatemala, Nicaragua, El Salvador, Colombia, Ecuador and Venezuela will be incorporated into the new bank. In addition, the new bank is working toward operating in such other countries as Costa Rica, Panama, Peru, British Guiana, Surinam, French Guiana, the Bahamas, Cuba, Haiti, Santo Domingo, Puerto Rico and the British Caribbean territories.

The functions of the new bank will be those of any other large trading bank. It will lend money on terms customary in its area of operations; in particular it will help to finance import and export trade and it will assist

CONTINUED ON PAGE 37

Members of Sons of Freedom sect set fire to their own homes in anti-war demonstration and pray before flames

New Terror in the Kootenay

by David Kahma

ONCE AGAIN, BRITISH COLUMBIA is on the verge of civil insurrection by Canada's perennially unstable minority, the Sons of Freedom Doukhobors.

The immediate cause of the threatened uprising is the apparent collapse of the fanatical sect's attempt to migrate to Siberia. Needless to say, were that almost incredible exodus to take place—as the sect's leaders still insist that it will—it would be the only voluntary migration in history to Siberia from anywhere outside Russia or Asia.

To anyone but the unreasoning Freedomites, Siberia would hardly recommend itself as a potential paradise, especially for a sect which in the words of one of its leaders, would seek in the unfriendly Altai mountains, where the USSR adjoins Mongolia, the "complete religious, cultural and educational freedom" which the Freedomites, who number about 3,000, believe they have been brutally denied in Canada.

Yet Freedomite spokesmen still contend that in all the world, totally untrammelled liberty of conscience and action is available to the sect only in the Soviet Union.

Thus, as evidence accumulates that the sect seems fated to remain in Canada for at least the foreseeable future, it is only natural that, after being keyed up to fever pitch for several months by the hope of an early departure for Russia, the Freedomites, in their anguish at the dissolution of their plans to migrate, should give vent to their frustration in their customary way—by a wave of fires and dynamitings in B.C.'s Doukhobor country.

The Freedomites' failure to migrate as planned is not the only reason, however, for the bombings of the last few weeks (a 132,000-volt power line was blasted on May 25th, time bombs exploded the same day in a bus terminal at Nelson, B.C., and the CPR tracks were dynamited near Grand Forks, B.C., and Princeton, B.C., early in June) which probably presage a massive new outbreak of unprecedented terrorism in the Kootenay region where B.C.'s Doukhobor population is chiefly concentrated.

Almost every previous outburst of Freedomite violence was preceded by acts of extreme ineptitude by past governments, both federal and provincial, in their relations with the Doukhobors.

Recent Freedomite bombings are more methodical and scientific, suggesting the bombers may be getting outside help from the communists who would like to exploit a situation created by political ineptitude.

Doukhobor women are taken fully clothed to jail to serve sentences after nude demonstration protesting conscription.

Members of sect pray beside station as relatives are sent to prison for nude protesting sending of children to school.

Smoke rises from burning house in village of Krestova, 250 miles from Vancouver. Seven houses were destroyed.

For example, before B.C.'s first (and least violent) great Freedomite uprising of 1932 was under way, the then Attorney-General of the province announced that he was prepared to arrest any number of Freedomites for the relatively minor offence of nude parading. So overwhelming was the response to his tactless challenge that within a few weeks the prison facilities were so overcrowded that over 600 Sons and Daughter of Freedom had to be incarcerated on an island especially acquired for that purpose near Victoria, B.C.

Later, on December 12, 1943, although the Doukhobors are exempt from military service by law, Ottawa, without even rescinding that law, informed the sect that the conscription of Doukhobors was merely being "postponed." Within nine hours, a half-million dollar jam factory and CPR installations at Brilliant, B.C., had been destroyed.

In 1947-48, The Hon. Mr. Justice H. J. Sullivan, now of the Supreme Court of B.C., conducted, as a Royal Commissioner, an extremely painstaking study of every aspect of B.C.'s Doukhobor affairs, and submitted a report urging a detailed, long-range program which the provincial government shelved long enough for the insurrection of 1949-50 to supervene.

In the midst of that fierce uprising, in which bridges, halls, churches and other buildings were ravaged by fire and explosives, while hundreds of houses were put to the torch and the CPR tracks blasted almost incessantly, it became obvious that Mr. Justice Sullivan's submissions could no longer be ignored.

Ottawa acceded to B.C.'s frantic pleas for help, and called on F. J. Mead, CBE, a retired Deputy-Commissioner of the RCMP, to act as the federal cabinet's observer and liaison with B.C. Mr. Mead, whose bedside reading is the works of the learned and philosophic Emperor, Marcus Aurelius Antonius, and who therefore, as may be imagined, is the antithesis of a blind believer in brute force and in mass imprisonments as a "solution" to the Doukhobor problem, persuaded the province to establish, in 1950, a Consultative Committee on Doukhobor Affairs working out of the University of B.C. and embracing a smaller committee of social

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Protocol and The Princess

by Logan MacLean

Princess Margaret is not just an ordinary girl with too much ancestry, eager to rush out and let her hair down. She is of the Blood Royal.

Protocol is the list of do's and don't's that prevent the shopgirl—or the Junior Leaguer—from hobnobbing on equal terms with royalty. Can we dispense with this red tape?

PRINCESS MARGARET arrives on July 12 for her first Canadian visit. It will be a success—Margaret's trips always are. And Canada has waited a long time for this one.

But before it is over there will be rows, rumpuses, bickerings and buckets of crocodile tears. There will be pride and hurt pride, glory and goofs.

Twelve million Canadians will follow the tour through their newspapers, radio and TV. By the time it ends on August many will have doubts whether royal tours are a good thing either for royalty or royalists.

This forecast is based on past performances, here and in other Commonwealth countries. It will not be affected by the weather, the size of crowds who turn out to greet Margaret or by what the Princess sees and does.

She will certainly meet bigger crowds in boisterous B.C. than the Queen and Prince Philip encountered in their lukewarm Ottawa reception last fall.

But for the great majority of Canadians the Princess will exist only through the news media. The media have created an image of royalty and a pattern of royal tour coverage. Whether it is the Queen in Australia, Philip in Canada or Margaret in darkest Africa, the pattern remains the same.

Royal news coverage operates on the premise that (a) everything that goes right does so because of the warm, human personality of the royal personage and (b) everything that goes wrong is the fault of "protocol."

A sample tour goes like this:—

First day: Princess Margaret arrives at the Capital (any capital). The guard glisten in their dress uniforms, the dignitaries sparkle in their Sunday best. The Princess is radiant and everything goes like clockwork.

Reporters and commentators are overcome by pride and splendour and tradition.

Second day: Personality peeps through the magnificence. The Princess is, after all, an extremely pretty girl, surrounded by a lot of old men in top hats. The news media are overcome by her charm.

Third day: Everything is going too smoothly. The

Princess, unlike other pretty visitors, never seems to put a foot wrong or say the wrong thing. The news media are getting tired of pride and splendour and tradition. Protocol, they chide, is hemming Margaret in.

Fourth day: The Princess spends a minute too long with an old age pensioner or pauses to look at some unscheduled scenery or shake an unlisted hand. The Princess, chortle the news media, has broken free of stuffy protocol.

Fifth day: The news media are feeling the strain. Is the schedule too strenuous for the Princess? they demand. Give her a rest!

Sixth day: She takes a rest. The news media are furious that they can't follow her. Margaret goes for a private swim and the sea boils with photographers. The world is still waiting for a really good shot of Margaret in a swim suit.

Seventh day: about this stage the first photographer gets roughed up by the police. (In Nassau, Margaret saw one beating-up going on and stopped it.) The first stories appear about fears of assassination attempts or robbery and increased security precautions.

This is the low point in royal tour public relations. The British tabloids hurl front-page editorials at the Palace staff — Kick the Fuddy-Duddies Out! Some high-powered American sob-sister turns a poison pen on the royal wardrobe.

By this time the royal image has taken shape, moulded in wet newsprint. We see a soap-opera princess, badgered on all sides by wicked uncles from the Palace, struggling bravely through a killing schedule of dull speeches, talking with people specially selected for their pomposity and stupidity, bored and frustrated by "protocol."

Prime Minister Diefenbaker gave a mild foretaste of this in April when he promised that "pomp" would be cut to a minimum on the coming tour so that Princess Margaret would not be overtired.

The pre-tour bickering has begun. The Canadian Government hospitality committee announced that there would be no special press trains, buses or aircraft. The hundreds of Canadian, British, American and other foreign press, radio and TV representatives would have to

CONTINUED ON PAGE 34

Canadian papers are already complaining that she will be hemmed in by officialdom during her visit to Canada.

Without protocol, dignity, ceremonial and a sense of history, the royal show would fall flat on its face.

Queen Mary: "Remember, dear, we are royalty. We never tire." Presumably, this included cornerstones.

Psychiatrist tests an addict at a U.S. hospital. Most Canadian addicts are treated in jail — and only for a week.

Would Free Dope For Addicts End Drug Traffic?

by Gordon Donaldson

IN A SQUAT, EFFICIENT-LOOKING building at Mimico reformatory near Toronto, a dozen-odd convicted dope addicts were living in comparative comfort for the last three months of their sentences.

They made handicrafts in a workshop, talked with psychiatrists and smoked. There were bars but no guards. They were being treated as patients.

Then, a few months ago, one patient was caught with a smuggled dose of heroin. The reformatory cracked down on the clinic building. Guards were brought in. The addicts were reminded that they were criminals, too.

This conflict of approaches to the addict ("Is he sick or just plain wicked?") crops up every time an attempt is made to cure addiction.

Social workers new to the problem are likely to err on the sympathetic side; police and old hands at the game are driven by desperation to demand more and more severity.

Vancouver's last police chief, Walter Mulligan, told the 1955 Senate narcotics committee that addicts should be rounded up and isolated, preferably on an island somewhere. A Senator remarked that they would all be better dead.

If we are to tackle the drug problem we need a full system of withdrawal treatment, psychiatric care and social welfare in British Columbia, Ontario, Quebec, the provinces most affected by this vicious traffic.

A Vancouver detective gave men the working cop's viewpoint: "We round 'em up. We put them inside. They come out and we round 'em up again. Unless they get fed up and go someplace else it can go on for ever and ever."

There are three recognized ways of dealing with the dope menace.

One is to limit world narcotics production to medical needs and stop the international illicit trade. International control began, effectively, with the 1925 Geneva convention and has greatly reduced both legal and illegal supplies.

In the early 1920s opium was rolling into North America by the truckload and morphine and heroin by the barrel. Now most seizures are measured in ounces and a pound is a big haul. The second way is to control legal supplies and stop trafficking inside Canada. Trafficking has not been stopped despite nearly 30 years work by the RCMP and it is difficult to hope that it ever will be as long as there are addicts willing to pay $5 for a capsule of adulterated heroin.

Legal supplies, however, are under control. Thanks to the Work of the narcotics control division of the Department of Health and Welfare and the co-operation of most doctors and druggists, very little dope leaks out of legal channels into the illicit market. There is thus a sharp division between the underworld addicts, with their smuggled supplies and the semi-respectable "medical" and "professional" addicts who use legal sources for their drugs.

The third way to end the drug problem is, in the words of former RCMP Superintendent R. S. S. Wilson, to "cure and permanently control the drug addict."

It is here that the real confusion arises. And here that very little is being done.

The Dominion government recognizes that an addict is a sick person but makes no provision for curing him. Health is a provincial matter.

Ontario and New Brunswick have provisions in their mental health act for the voluntary admission of addicts for treatment. Addicts can be committed for treatment in Nova Scotia and Manitoba. Saskatchewan and Alberta have mental health laws which might be applied to addicts.

In practice, however, only a couple of dozen addicts a year go to mental hospitals, most of them in Ontario where there is a waiting list.

The great majority of Canadian addicts receive their only treatment in jail—and that only during the first week when they are being withdrawn from drugs. Nowhere is there any adequate provision for after-care once the addict leaves hospital or jail.

Vancouver, which has the biggest dope problem for its size of any city on this continent, has two small experimental schemes for the treatment of addicts.

One is at Oakalla prison, where the usual addict population is around 160. In 1956, two huts, one for men, one for women, were built near the main cell block. These house 8-12 prisoners each, and each has a psychiatrist, a psychologist, three social workers and four supervisors. Carefully screened and selected addicts can spend their entire sentences (up to two years) in these huts. They go through a program of pyschiatric treatment, occupational and group therapy and are under constant study by the staff.

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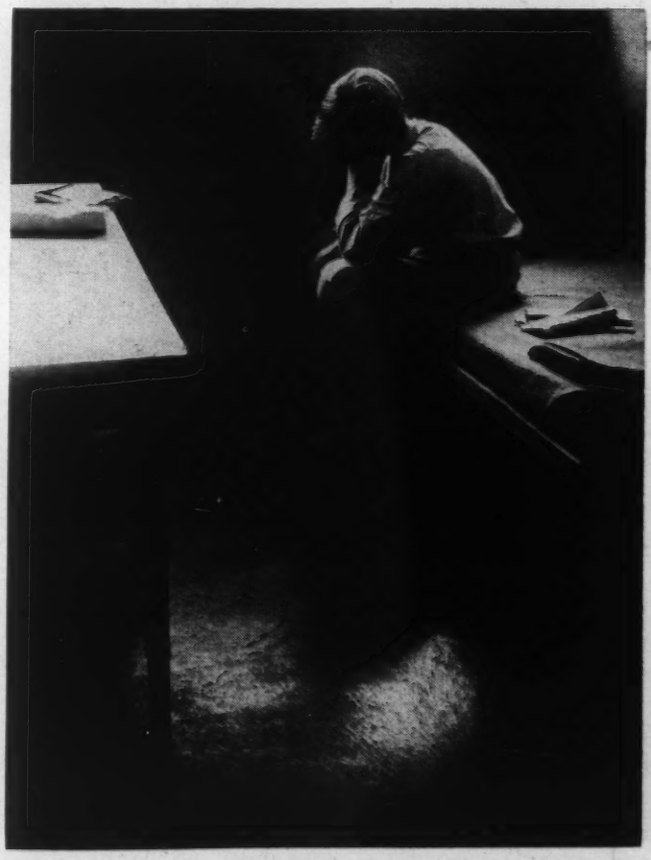

The working cop's point of view: "We round 'em up. They come out and we round 'em up again. It can go on forever."

He has a testy, provocative attitude towards opponents in the House, although he is courteous and considerate to the officials who work for him. He devotes too much time to petty, routine detail.

Mr. Fleming's budget is based on a cautiously optimistic forecast of Canada's economic fortunes but he was discreetly silent on some issues which could upset his calculations.

The Cautious Optimist

by John A. Stevenson

IN THE MINISTERIAL hierarchy of Canada, the Minister of Finance has always ranked second after the Prime Minister and the roster of the high stewards of the nation's finances contains the names of numerous men of great ability and also a few notorious weaklings. There is no danger that Donald Fleming, the present holder of this important post, will fall into the latter category but he is due to have his claims to rank among our great Ministers of Finance severely tested under very difficult circumstances.

Donald Methuen Fleming was born on May 23rd, 1905 in the little country town of Exeter in Western Ontario and, while his surname is essentially Scottish, he has English, Irish and French blood in his veins. At the University of Toronto, he won the Governor-General's and the Breuls' Gold medals. He chose the law as his profession and attended, during his legal apprenticeship, the law school at Osgoode Hall where he won the Christopher Robinson Memorial scholarship. After he became a junior partner in the law firm of Kingsmill, Mills, Price and Fleming, he acquired rapidly a reputation as a very competent young lawyer, in whom a growing number of clients had confidence. By 1933 he had an income which enabled him to make a happy marriage with Miss Alice Watson of Toronto and settle down as a family man.

But Donald Fleming was not content to be merely a successful lawyer in Toronto and he made a careful choice of the preliminary moves for the eventual gratification of his ambitions for a creditable career in politics. Election to the School Board of Toronto paved the way to a seat on the city's Council in the following year and his diligent service on it and his valuable contributions to its work marked him out as a capable and trustworthy public servant on the civic level. He also found time to serve on the Boards of the Toronto

General Hospital and the Canadian National Exhibition and to be a member of the National Executive of the Y.M.C.A. and President of its branch in North America. The honor of being created a K.C. in 1944 recognised his high status in the legal profession but, when the election of 1945 came round, he felt ready to try his luck in the political arena and his capture of the Eglinton division of Toronto from the Liberals by the handsome majority of 7,940 was one of the best crumbs of comfort that the Progressive-Conservatives secured from that contest.

After he took his seat as back bench member of the Opposition he was cautious about asserting himself in debate but, when he did intervene, he always spoke on subjects of which he had an informed knowledge and by the end of his first session he had convinced experienced observers of the parliamentary scene that the Tory party had secured in him a very promising recruit. The claims of his extensive law practice sometimes interfered with his attendance at Ottawa but, as he gained confidence and prestige as a debater, his leaders entrusted him with greater responsibilities as a critic of the sins and errors of ministries and his industrious preparation of his cases and his forceful exposition of them invariably justified their reliance upon his parliamentary abilities. He became a competent specialist on financial problems and by the end of the Parliament of 1949-53, he had become one of the most formidable figures on the opposition front bench and when his party decided to take the offensive against the Liberals he was often chosen to lead the attack in which he gave free play to his skill in the analytical dissection of issues and his gift of invective. As a result he came to be rated the most militant member of his party at a time when it badly needed fire in its belly.

He had also earned the goodwill of the French-Canadian members on both sides of the House by acquiring a fluent command of the French language. When the retirement of Mr. Drew in 1956 left the leadership of the Progressive-Conservative party vacant, his political stature and record were ample justification for his decision to be a candidate for it. His hopes of success were based upon the known partiality for him of most of the French-Canadian delegates selected to attend the Tory national convention. But their backing was not sufficient to offset a general feeling among the delegates from provinces other than Quebec that the choice of another Torontonian as a successor to Mr. Drew would be unwise and so he ran far behind Mr. Diefenbaker who had also built up a much better organisation to support his candidacy.

When the election in June 1957 installed the Tory party in power, Donald Fleming had obviously staked out strong claims to one of the major posts in the Cabinet and Mr. Diefenbaker recognised their validity by appointing him Minister of Finance. His rating as the most industrious member of the Cabinet caused a colleague in an after-dinner speech to attribute to him the wish that the day were 48 hours long instead of 24. His remarkable powers of industry, although they find reflection in the careful preparation of his speeches, are not always wisely applied. He devotes too much time to dealing with petty details, which ought to be left to subordinate officials, and the resulting strain upon his nerves and physical strength is probably responsible for a testy, provocative attitude towards his opponents in

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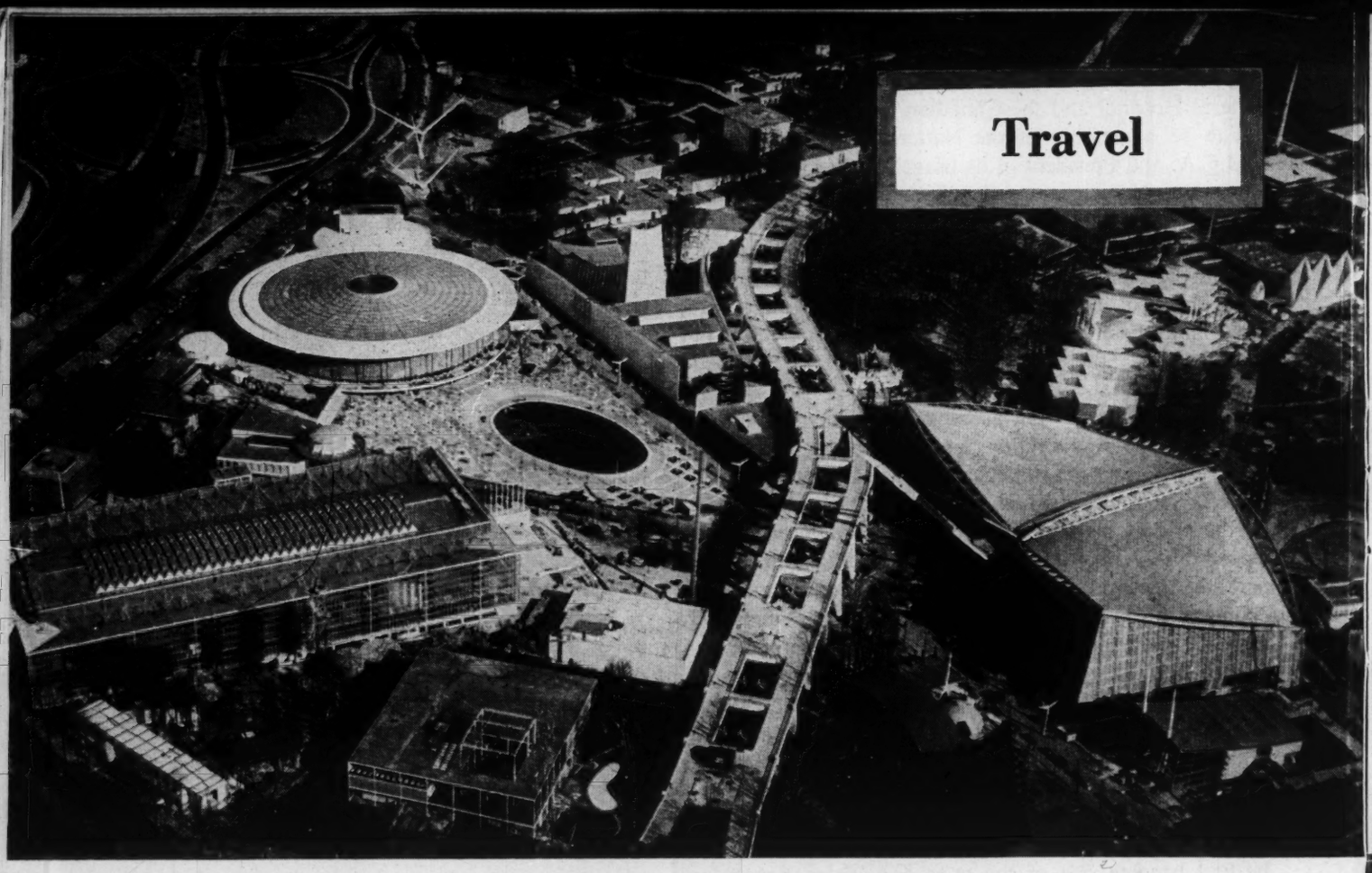
Mr. Fleming, shown with agricultural ministers of Canada and U.S., exposed Canada's grievances with U.S.

He captured Toronto's Eglinton riding for Conservatives in 1945 and became one of party's most promising recruits.



Aerial view of a portion of the grounds. In the foreground the Canadian Pavilion; behind it the Russian monolith and circular American Pavilion. Further to the right the Vatican building and the French Pavilion.

The Brussels Fair — and Canada

by Ernest Waengler

IN THE BIGGEST, most extravagant, most confusing show on earth, Canada is holding her own against an overwhelming competition of showmanship, flamboyance and glamour.

On the huge Heysel Plateau just outside Brussels, each of the world's nations has put up what it considers the most representative examples of its highest achievements. The result is, at its best, a glittering dream of mankind's highest aspirations come true—at its worst, an endless repetitious jumble of machinery, statistics and pretentious propaganda.

Amidst this welter of sham and genius, Canada has managed to present herself with a mixture of pride and

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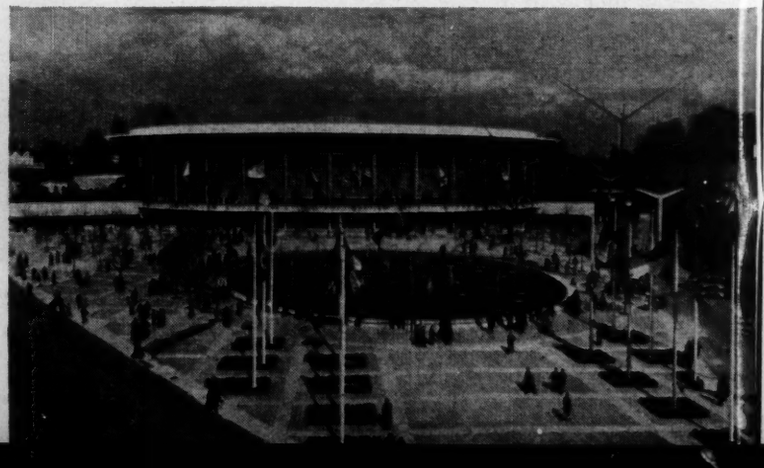
The Russians are apparently trying to stun the visitor by sheer size and weight. The massive front of the Pavilion.

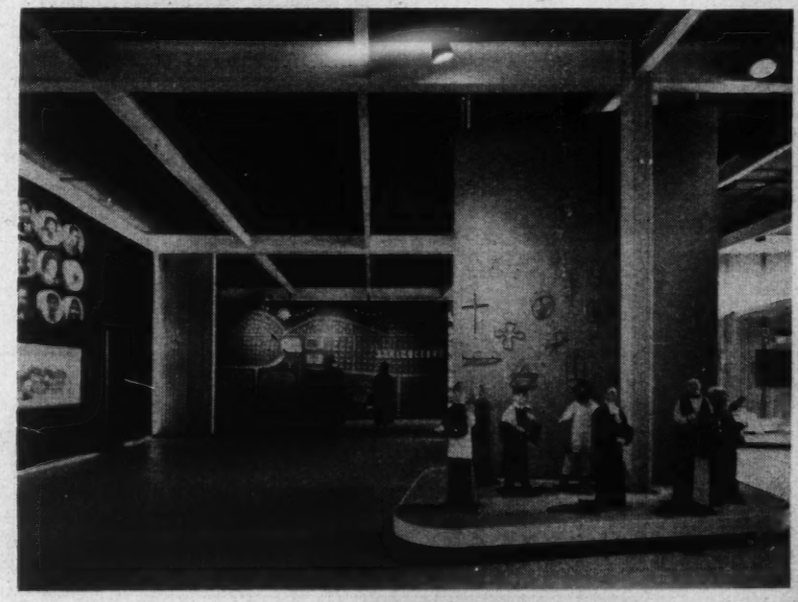
The American approach is gay charm and studied casualness. Pretty girls in beach clothes can outdraw atomic reactors.

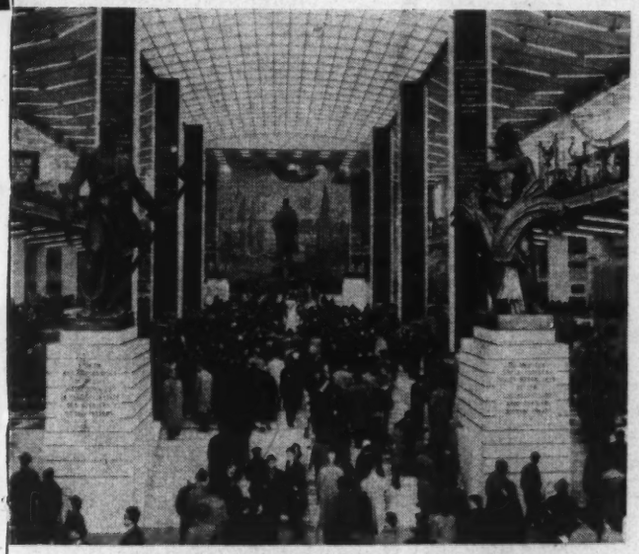


Recreation in Canada is shown in a ground-floor display. Here is the series on sports in winter.

The Canadian Pavilion is "a curious edifice of ramps and stairs". It conveys the openness and width of Canadian space and thinking.

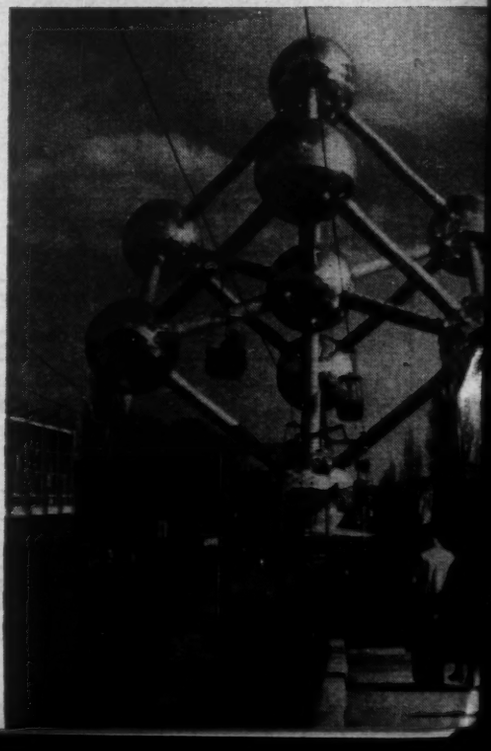
The people of Canada against a background of agriculture. "I have spent a few hours in the Land of Serious People." writes a Belgian.



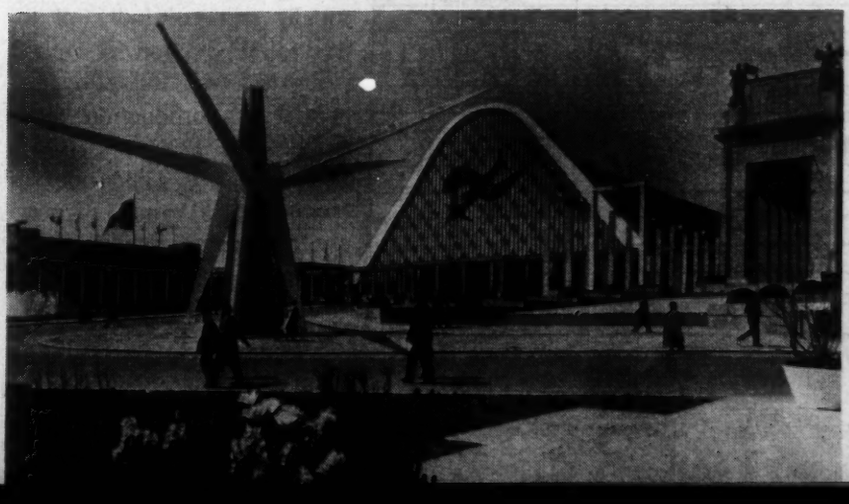


Under a giant statue of Lenin the Russians have assembled an impressive array of sleek hardware.

Symbol of the Fair is The Atomium. Nine silvery balls hang in grandiose weightlessness in the atmosphere.



The Belgian Pavilion. "Weird and gigantic shapes point sharp aluminum fingers into the air, all against a background of flowers, fountains, artificial lakes.



The rising cost of living now seems a part of our life. Only a major depression seems likely to bring prices back down to earth.

Have Rising Prices Reached Their Peak?

by Maurice Hecht

FOR THE FIRST TIME since last Fall retail prices have broken a steady upward climb with a modest dip. The yardstick for Canadians' cost-of-living—the Consumer Price Index—slid one-tenth of a point in May.

Does this indicate the end of our baffling economic paradox: rising retail prices in a time of declining industrial output and wholesale prices? Or is it just a pause in a pattern of higher retail prices?

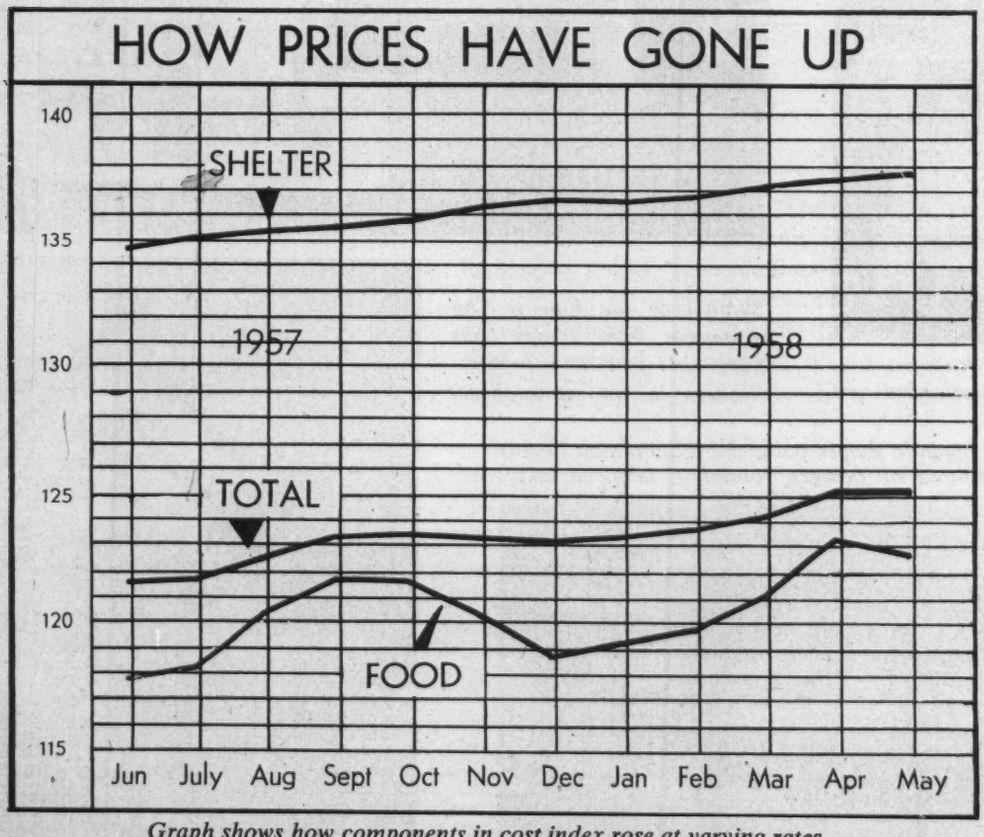
The problem is world-wide. And it's a problem that is getting world-wide attention. Early in July, for example, the Economic and Social Council of the United Nations will open sessions in Geneva to discuss inflation and recession in the world today.

In Washington, three major congressional investigations are probing the same subject and so far labor, consumer credit and business depreciation rates have been named as the culprits. President Eisenhower has suggested that some kind of controls may be necessary.

In Canada, this is the situation:

Consumer prices in 1953, 1954 and 1955 were generally steady with an index of around 116 compared with 100 in 1949. In the spring of 1956 prices started to climb. They reached 120.4 by that December. The upward surge continued all last year with a few minor lulls and a major lull at the end of the year. The December index was 123.1. General thinking was that prices had had it and were coming down. Both the December and November indexes were below that of October.

But the index confounded the experts. Consumer prices started to rise this year until they reached 125.2 in April. In May there was a minor drop and though the June figure is not known at the time of writing, it is probable there was another drop. It is doubtful, however, if drops in the next few months will take the index back to where it was even one year ago—121.6 last June—let alone drop it back to the level of a few years ago.



Graph shows how components in cost index rose at varying rates.

These price increases are more remarkable when we look to see how the general economy was behaving. The recession started a little over a year ago. Taking the seasonally adjusted index of industrial production as a good indicator, we find the high point of production was reached in February, 1957. It was 292.0. This index is based on 100 equalling average production rates between 1935 and 1939. This indicator fell some 20 points during

CONTINUED ON PAGE 24

A distinguished year... 1883

DISCOVERED IN 1883, Lake Louise, in the Canadian Rockies, is one of the loveliest spots in the world.

The Discovery of Lake Louise

Painted for the Seagram Collection by Franklin Arbuckle, R.C.A., O.S.A.

A distinguished whisky

Another notable achievement in 1883 was the creation, by Joseph E. Seagram, master distiller, of the distinguished Canadian rye whisky, Seagram's "83".

Generations of Canadians since 1883 have enjoyed the distinctive flavour and bouquet of this fine whisky, and have made it a favourite for every gracious occasion.

Say **Seagram's** *and be* **Sure**

Seagram's
"83"
Canadian Whisky

For reprints of this painting, suitable for framing, write Joseph E. Seagram & Sons, Ltd., Waterloo, Ontario

Chess

by D. M. LeDain

THEY NEVER come back? Mikhail Botvinnik, 47 year old Russian engineer, was not considered to have much chance in his return match for the world championship with Vassili Smyslov, but he proved to be an exception when he downed his younger opponent by 7 wins to 5, with 11 draws. The late Dr. Alekhine is the only other player to share the distinction of regaining a world title. The two had a lively draw at Nottingham, 1936 tourney.

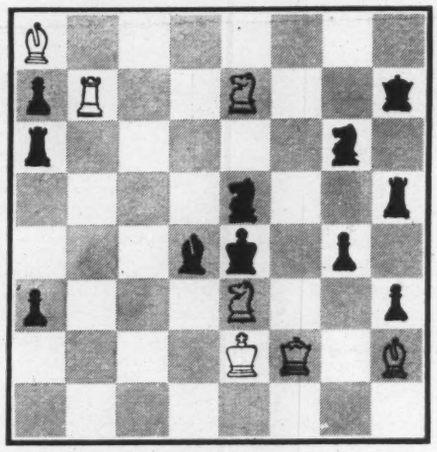
White: Alekhine, Black: Botvinnik.

1.P-K4, P-QB4; 2.Kt-KB3, P-Q3; 3.P-Q4, PxP; 4.KtxP, Kt-KB3; 5.Kt-QB3, P-KKt3; 6.B-K2, B-Kt2; 7.B-K3, Kt-B3; 8.K-Kt3, B-K3; 9.P-KB4, Castles; 10.P-KKt4, P-Q4; 11.P-B5, B-QB1; 12.KPxP, Kt-QKt5; 13.P-Q6, QxP; 14.B-B5, Q-B5; 15.R-KB1, QxRP; 16.BxKt, KtxP; 17.Bx-Kt, Q-Kt6ch; 18.R-B2, Q-Kt8ch; 19.R-B1, Drawn.

Solution of Problem No. 195 (Musante). Key, 1.Kt-Q3.

Winners in the Solving Contest (Problem No. 189): W. N. Lawrence, Fenelon Falls, Ont., B. Roberton, Winnipeg, and J. H. Mayer, Burnaby, B.C.

Problem No. 196, by L. N. Gugell, USSR. White mates in two. (7+11)



Puzzler

by J. A. H. Hunter

THERE SEEMS to be a peculiar fascination about these alphametics. Maybe because they only need commonsense, clear thinking, and much patience.

But they can be difficult, and this one is more difficult than most.

Each letter stands for a different figure, and the little crosses represent figures which will have to be identified.

So what do you make of SPUTNIK?

RUSS) SPUTNIK (UPS
S A T x x
A x x x x
A T x x x
x x x P x
A N x x x
x x x P

(78)

Answer on Page 40.

Set to Work

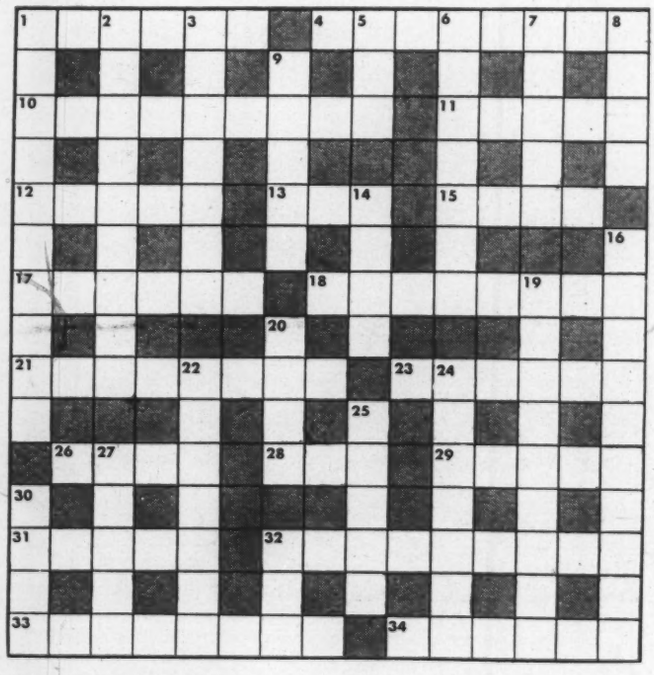
by Louis and Dorothy Crerar

ACROSS

1 Composer who always carried manuscript. (6)
4 Eminent painter returns refreshed in body, like Constable did, perhaps. (8)
10 One way to send a vessel to blazes? (9)
11 This might help to 25 a Scottish 30. (5)
12 One who does the 14 should not be 4. (5)
13, 31 AALLLL (3,2,3)
15 Spiders do backwards what the crab does naturally. (4)
17 In much better health despite having a fit. (6)
18 The tepee was perhaps smelling more fragrant than one would expect. (5, 3)
21 How silly one looks held up to it. (8)
23 Outcast who might sing "With a song in my heart". (6)
26 Her creator finished the gorgonzola while she finished the tropical fruit. (4)
28 How different someone could be, but which one? (3)
29 Austere violinist? Nerts! (5)
31 See 13
32 Someone's put an arm through the spinet and broken it! (9)
33 One would get closer to Elia were his essays bound in it. (8)
34 One of 33, as it were, comes back with gin to have enough in reserve. (6)

DOWN

1 Presented for travelling expenses? (4,2,4)
2 Increase due to Maude and a gent getting together. (9)
3 As times change, his paintings become more valuable. (7)
5 The Englishman thinks it's just swell if you ping it. (3)
6 One account the Receiver General won't collect. (7)
7 Take a walk, you bum! (5)
8 She did nothing, it appears. (4)
9 One won't find these editions in 33, 25s. (5)
14 See 12. (4)
16 Laundry not back? He wouldn't lie about it! (10)
19 The loss of a title here often comes as a heavy 20 to the loser, no doubt. (5-4)
20 See 19. (4)
22 Rachel's changed her sex. (7)
24 A reformed U.S.A. could give this country a start. (7)
25, 30 But the front page isn't sufficient to do this to her. (5-4)
27 It takes a capital army to hold it. (5)
30 See 25.
32 There's a hint of coldness in Victor Herbert's "Kiss in the Dark". (3)



Solution to last puzzle

ACROSS

1 Patrimony
6 See 32
9 Ideal
10 Inset
11 Ran
12 Impale
13 Elevate
15 Lisle
16 Fade
17 Keen
19 Carp
21, 24 Lady-killer
22 Rides
25 Abusive
26 Chased
28 Odd
29 Lilac
30 Blade
31 Radar
32, 6 The dead of night

DOWN

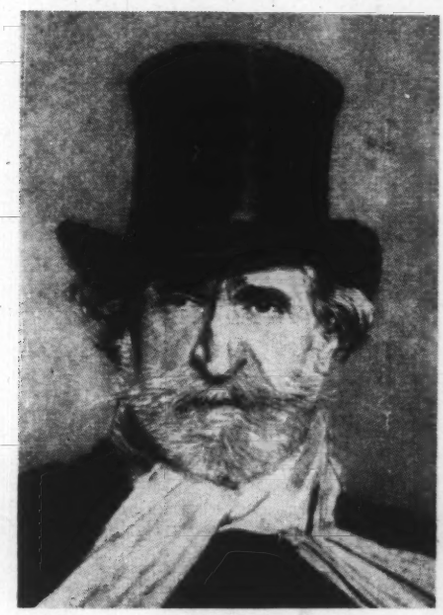
1, 24 Pain-killer
2 Thermos
3 Ill-fated
4 Olive
5 Yesterday
6 Nutmeg
7 Garbage
8 Tenderness
14 Blackamoor
16 Flageolet
18 Preamble
20 Rounded
23 Diehard
24 See 1D and 21
26 Cache
27 Deaf (445)

Books

by Robertson Davies

Poor Mozart! Poor Verdi!

Sheean displays a strength and delicacy of touch which commands our admiration and makes this one of the best musical biographies of recent years.



Verdi: Portrait by Boldini.

STENDAHL, WRITING ABOUT the conditions under which opera was performed in Italy at the beginning of the nineteenth century, exclaimed "Poor Mozart!" Toscanini, discussing the conditions under which opera was performed in Italy toward the end of the nineteenth century, exclaimed "Poor Verdi!" What was wrong?

It is interesting to find out, and doubly pleasurable because it casts a flattering light on our own age. Apparently we perform opera now better than ever before in history. Such a relatively modest affair as Toronto's annual opera festival is prepared and mounted with a care which was utterly unknown a century ago. The first of Mozart's operas to be performed in Italy was *The Flight from the Seraglio*. Stendahl reports upon it thus:

"Poor Mozart! Certain persons who chanced to be at that famous *première*, and who, later, have learned to love this great composer, have assured me on their honour that never in their lives did they hear such an unimaginable witches-sabbath! The choruses, the *ensembles*, and above all the *finales*, were transformed into a cacophony of positively appalling dimensions; while the overall effect was of some howling carnival of raging demons! In all, perhaps two or three *arias* and one duet managed to swim on the surface of this boiling sea of discords, and achieved a reasonably adequate performance."

The reason was that Italian musicians simply could not play Mozart's orchestral parts at anything like the proper speed; the first adequate performance of Mozart in Italy required many months of gruelling rehearsal; Stendahl says that it took six months for the musicians to learn to play the first act finale (it was of *Don Giovanni)* correctly. It may be argued that a high school band could do better today, but we must remember that the high school band would have a conductor (which opera at that time had not) and would be under no obligation to vindicate Italian musical honour by holding German music in contempt.

Sixty years later this Italian musical chauvinism was asserting itself in a powerful opposition to the music of Wagner; anti-Wagnerianism showed itself in a hysterical adoration of the genius of Verdi.

This did not mean that Verdi's lot was an easy one, or that his works were performed with loving care for his intention. Verdi, who was a realist, did what he could to achieve decent standards of production, but accepted what could not be changed. What was least susceptible of change was the audience itself.

Opera in the nineteenth century was as much a social as a musical institution. The opera house consisted of a ground floor, surrounded by a horseshoe composed of several tiers of boxes, and these boxes were either rented or owned outright by people whose position in the world demanded it. In the front of each box were seats for two or four people who were visible to the rest of the house; but behind each box was a small retiring-room where people chatted, ate and drank, made love and quarrelled, creating a great deal of noise. Two or three favourite numbers in a well-known work might command comparative silence, as the whole assemblage of box-holders crowded forward to attend. But the rest of the time the music fought against the racket of a fairground. Music-lovers sat on the ground floor and heard as much as they could; the gallery was crowded with the servants of the people in the boxes and the poorer part of the public.

The audience influenced the very form of opera itself. At the Paris Opera it was essential that a ballet should be included in each work, and that it should come forty-five minutes or an hour after the rise of the curtain; that was because it was the custom of members of the Jockey Club (the cream of society) to enter their boxes at that time. To transgress this rule was enough to damn an opera in Paris.

The orchestras were frequently very bad. Berlioz' *Evenings With The Orchestra,* in which he recounts how the players idled through works which they did not admire, is no exaggeration.

As for the singers, they could often sing, but they did not mean to discompose

Vincent Sheean: Con amore.

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Rev. J. A. M. Bell, *Headmaster*
Oakville, Ontario

themselves by attempting to act. The Italians specialized in *bel canto,* which was at its best an exquisite but dramatically meaningless tone. High notes, roulades and ornaments were admired, regardless of their suitability; Wagner, with his demand for dramatic declamation, was called a monster intent on spoiling the art of song, and the later Verdi, in *Otello* and *Falstaff,* was accused of the same disregard for sheer vocal beauty. The notion of opera as a dramatic performance, moving toward a series of emotional and artistic crises, was very slow to gain acceptance.

As for presentation, it was chaotic. Singers of the first rank provided their own costumes, without regard for unity of period or agreement of colour. They wanted special combinations of words, for which they had effective vocal tricks, introduced into the libretto. They had whims, such as wanting to make their first entrances on a horse, whatever the opera might be. There were leading sopranos who would only die sitting, and others who would die only if servants brought cushions on the stage to make death comfortable. As Rossini said, "It is quite enough to make one want to boo oneself out of the profession for good and all."

The struggle toward modern opera production, which is still far from faultless began with Rossini, was continued by Verdi, and was brought to a high measure of intensity by Toscanini. If it amuses you to read about it, two books are invaluable. The first is *The Life of Rossini,* by Stendahl, which first made its appearance in 1824 but has only now come out in English in a complete translation by Richard N. Coe. The second is *Orpheus at Eighty* by Vincent Sheean; it is in effect a life of Verdi, though it takes as the starting-point for all its excursions into his history the first performance of his culminating work, *Falstaff,* in 1893. Neither book is the work of a professional musician, but both are written by men of letters who love music, and opera in particular.

This is a type of writing which I especially admire, for although many musicians have been good writers, they lack that final mastery of writing which is the mark of the man of letters. Stendahl wrote about Rossini when that musician had forty-four more years to live, and his greatest single work, *Guillaume Tell,* was five years in the future. This book is an enthusiastic, ill-organized, ebullient piece of work, full of anecdote (some of it apparently ill-founded) and full of personal opinion. But the personal opinion of Stendahl is much better than the careful patchwork of a trained musicologist. Here is a great man writing about another great man. Of how many biographies can that be said?

Mr. Sheean's book, carefully founded on fact, goes far beyond anything that

can be achieved by mere collecting of facts, and springs from a deep and reverent love for Verdi. There is in Verdi's career no curve, no ripening and decline; it moves steadily upward from *Oberto, Conte di Bonifacio* (1839) through thirty-one works (counting revisions) to the great achievement of his lifetime, *Falstaff* (1893); the awesome growth of Verdi's genius, and the extraordinary power of Verdi's character (capable of utterly absorbing a man like Boito, who was no trivial person himself) makes a story with few equals in the history of Western art. Mr. Sheean has told that story, and communicated that awe, with a strength and delicacy of touch which commands our admiration, and makes this one of the best musical biographies of recent years.

The Life Of Rossini, by Stendahl — pp. 522, newly and completely translated by Richard N. Coe — *Ambassador — $7.00*

Orpheus At Eighty, by Vincent Sheean — pp. 372 — *Random House — $6.25*

Polished Tale

The Dream of the Red Chamber *(Hung Lou Meng)*—by Tsao Hsueh Chin and Kao Ngoh, translated from the German of Dr. Franz Kuhn by Florence and Isabel McHugh—pp. 582, illustrated with woodcuts from a nineteenth century Chinese edition—*McClelland & Stewart — $8.50.*

THIS IS A MONUMENTAL Chinese work of the eighteenth century, one of the first novels to be written in the language of everyday speech rather than the highly stylized literary form of the ancient Chinese classics. It swarms with characters and abounds in incident, but it is essentially the story of a pair of lovers, Pao-yu, the spoiled son of a wealthy, influential and cultured family, and Black Jade, his cousin. They are children when the story begins and the course of their love is traced through adolescence to its tragic conclusion. But there are dozens of other stories in the book all woven into a design as intricate and detailed as any piece of Chinese embroidered silk and just as colorful.

The translation is smooth. Indeed, because of its double translation, it has acquired considerable polish. The story is archaic but lively, curious rather than erotic. A book for leisured summer reading. F.A.R.

More Dim Views

Exile and The Kingdom, by Albert Camus, translated by Justin O'Brien—pp. 213—*McClelland & Stewart—$4.00.*

THE SIX SHORT stories in Camus' latest book exemplify his philosophy in that they describe symbolically the absurdity that

Albert Camus: Unsatisfying.

exists between human episode and human response: a faded, bored woman commits sentimental adultery with the stars; a fanatic Christian becomes a fanatic pagan under compulsion; the magnanimity of a desert exile gives him the prospects of a martyr; Christianity parallels pagan voodoo in a Brazilian jungle.

Written with M. Camus' usual sensitive, almost poetic apprehension of the world around him, these stories are unsatisfying artistically. Thomas Hardy, who found the human situation just as absurd as M. Camus appears to do, did not find it necessary to exclude the world from his artistic impressions of it. Camus leaves the reader feeling both depressed and cheated in these mood pieces which *could have been* short stories, or the first chapters of novels, but which, in their present form, really do end in the absurd. M.A.H.

From the jacket "Red Chamber".

Underground

Ten Thousand Eyes, by Richard Collier—pp. 320—*Collins—$4.00*

THE ACTIVITIES of the various resistance movements within occupied Europe during World War II remain fascinating, if perhaps increasingly familiar. They existed in all countries and in general had one of two duties: sabotage or intelligence.

The ten thousand eyes of this story belonged to the comparatively small group of men and women whose special task was the obtaining of information about Hitler's Atlantic Wall in the Cherbourg-Caen-le Havre area. This they accomplished at considerable risk and with commendable success, notably when a painter renovating a Todt headquarters chanced upon a detailed blueprint of the proposed Wall.

If the book fails somehow to capture much of the excitement and suspense of the adventures it records, the failure is probably due to over-documentation. Name follows name in bewildering succession, little relieved by an appendix which lists them all. Oddly absent, too, is any hint of the bitter political struggle within the Resistance. The word "Communist", I think, does not appear in the book. T.K.M.

Books Received

Morning On My Street (Myrtle Reynolds Adams)—*Ryerson—$1.00.*

The Mountain Is Young (Han Suyin)—*Clarke, Irwin—$3.75.*

Margot Fonteyn (Elizabeth Frank)—*Clarke, Irwin—$4.75.*

Eighty Land Birds to Know (S. L. Thompson)—*Book Society Canada—$2.25.*

Don Juan (Josef Toman)—*British Books —$4.25.*

Channel Dash (Terence Robertson)—*British Books—$3.75.*

Balthazar (Lawrence Durrell) — *British Books—$3.50.*

By Way of Sainte-Beuve (Marcel Proust-trans. Sylvia Townsend Warner)—*Clarke, Irwin—$5.75.*

Beyond My Worth (Lillian Roth)—*George J. McLeod—$4.75.*

Science News 48—*Penguin Books—$0.50.*

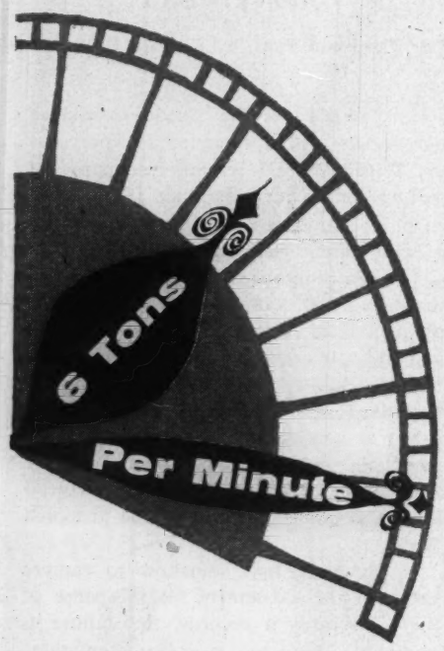
Anglicanism (Stephen Neill) — *Pelican Books—$0.95.*

The Process of Intuition (Virginia Burden) —*Greenwich—$2.50.*

White Eagles Over Serbia (Lawrence Durrell)—*British Books—$3.00.*

Heresmedan (Jean Gamo)—*British Books —$3.50.*

Early Engineering Education at Toronto, 1851-1919 (C R. Young) — *University of Toronto—$3.95.*



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Prices

CONTINUED FROM PAGE 18

the year and just started to move upward again this January.

One would think that consumer prices would pay some attention to a falling economy. But they didn't–even considering a time lag of more than a year. By contrast, many wholesale prices did fall, some drastically. The sensitive indicator of the wholesale prices of industrial materials was quite stable during most of 1956. In 1957 it peaked in January, then fell with only a few minor interruptions until now. There has been no recovery here as yet.

This situation of rising retail prices despite basic economic conditions is part of what is called creeping inflation. Some economists say it is part of the price we have to pay for living in a modern world. These economists point out that retail prices have been going up some three per cent per annum during most of this century. And this change has come even including wars, when prices are controlled, and depressions when prices normally drop as the economy sags. Other economists dispute this idea.

Normally, inflation is the outcome of too much money and too little goods, such as in postwar periods. But now inflation in industrial western countries seems a structural part of the economy. It is a new kind of inflation but it has the same effects as the old type. It appears no longer a disease which can be routed from time to time but a chronic infection.

There are a number of factors which may be integral to the situation in a modern industrial economy. Early boom-time bottlenecks can lead to jumps in certain prices which then tend to spread. Wage increases won in certain industries where productivity has increased greatly also tend to spread to other industries where productivity has not increased or only bettered itself moderately. Administered prices may not reflect the reality of the cost-profit picture and distort the view. Depreciation might be used as a government gimmick and made too easy at times. This list could be extended. The arguments, pro and con, can go on almost endlessly. Indeed, they are now doing so.

When we look into the groups making up our Consumer Price Index in Canada, what do we find? There are five major classes: food, shelter, clothing, household operation and other commodities and services. All of these are woven together to give us the overall price index. The groups do not move at the same speed.

Food is one of the fast risers. Two years ago in April it indexed at 109.7. Last April it was at 123.4. (It has come down a bit since then.) Shelter in April of 1956 was 131.9; last April it stood at 137.6. This is not a large jump but shelter costs have been rising steadily while food costs jump around a great deal, though they still show a long-term rise. It should be remembered that both food and shelter started at 100 in 1949, so over the long haul shelter has advanced more than food. Clothing is the really slow group, being at 109.7 last April and 108.7 two years previously. The remaining two have also advanced strongly, household operation being at 121.3 last April and other commodities and services at 130.1.

On the short-term, food has been the biggest culprit in the recent fast advance of the price index. All others, save clothing, have risen steadily over the years and have that long-term effect on the index.

From an analysis of the growth of the components of the Consumer Price Index it would appear that life has been getting better for the average Canadian and that even in this current recession we have not dropped our overall standard of living by any great amount. This, of course, does not apply to individual families which have been forced to do so. It simply means that most of our four million families are still living well.

In the past few years, in particular, we have been living better than ever before. But, the cost of producing the kinds of food we like and the things we demand for our more expensive houses and means of transportation have not come down sufficiently in price so that we can live better at a lower cost. If we were satisfied with only the kinds of food we ate years ago and the other items of living and concentrated on producing these things today, no doubt our living costs would be lower now.

All of this is no argument for returning to a poorer kind of life, but it helps explain, in part, our rising living costs. There is still the whole field of investigation of what is behind it: administered prices? wages out of line? bad management in industry and governments? and so on.

Let us look at some of our living costs. The largest slice is that taken by foods. Between 1926 and 1929, which was a boom period, 29.9 per cent of total personal expenditures were taken up by foods. In 1952-55 the figure was 27.0 per cent. In those years real income per capita increased by 45 per cent, yet the proportion spent on foods hardly changed.

Certainly more money is spent today on household appliances, electricity, cars and etc. Many of the items didn't exist in necessary numbers or essential simplicity of design and operation to have a mass market years ago. It is obvious that living has improved decidedly here. In foods it does not appear too obvious since people have to eat in good and poor times. Today, however, we eat far better using tremendous amounts of frozen foods

CONTINUED ON PAGE 34

The Lively Arts

by Mary Lowrey Ross

The Eternal Western

A RECENT *Wide Wide World* program outlined the seven basic plots of the classic Western. They are: The Union Pacific plot, the Revenge plot, the Empire plot, the Indian plot, the Outlaw plot, the Ranch plot, and the Marshal story. This is of course a rough classification and there is nothing arbitrary about it. All parts are interchangeable and a director with a sufficiently wide screen and broad budget might conceivably use all seven plots in a single vast blockbuster of a Western.

While the pattern may vary within certain limits, the fundamental elements of the Western remain unassailable. They are action, scale, and a cowpoke hero whose strength is as the strength of ten because his heart is pure; or, as the commentator put it more frankly, because he isn't particularly interested in sex.

Television naturally has brought about certain adjustments in the Western. The scale has been contracted but though we miss the massed cavalry charges and the depth and solidity of the large-scale model, the little Western window in the living-room is still capable of creating the illusion of space. Action is, necessarily, more concentrated, hence more violent, and the fearful maulings that now take place on the 22-inch screen make the old-fashioned brawl look at times like a Grade II mix-up at recess time. However the pure-hearted cowpoke continues to retain the strength of ten in any bar-room fracas, and it is still a sign of his rather special virility that he is magnificently indifferent to women.

The charm of Westerns is that they are basically fairy-tales, as bloodthirsty as Grimm, as hot with danger and pursuit as Jack the Giant-killer, and as innocent of sex as Goldilocks and the Three Bears. As in fairy-tales, too, the good people are good, and the bad people bad, with no indeterminate shades of gray in between. Most of the half-hour Westerns—*Cisco Kid, Annie Oakley, Sugarfoot, Broken Arrow,* etc., still follow this pattern undeviatingly. Their writers, keeping the classic formula well in mind, recognize that to introduce characterization, Freud, or anything but the most rudimentary form of comedy is to tamper dangerously with the medium.

The tampering is going on, nevertheless. In a recent Wyatt Earp episode, for instance, Leader Earp is shown associating with Doc Holliday, a reprobate medico who is the scandal of Dodge City. To Doc Holliday's loyal wife, Doc is "a sick man" but the rest of Dodge City hasn't caught up with modern terminology and regards him simply as a drunk, and a mean one. The friendship between Wyatt and Doc continues to flourish however and during the course of it Doc delivers a little homily on "criminal ethics" and points out that a fine loyal friendship can exist between a criminal of congenial temperament and a broadminded man. It is hard to imagine how this heresy ever worked its way into a Western. Certainly it represents a danger to the classic formula which operates on a strict Manicheean philosophy of the eternal balanced warfare between good and evil. Absolute good always triumphs at the end of the film, but absolute evil pops up undiminished in the next episode.

Generally speaking, the television Western in its pure form makes its appearance before sundown; i.e. before the younger members of the family can reasonably be herded off to bed. Later in the evening or over the weekends it takes on a more "adult" form This doesn't mean to be sure that there is any great variation in the sex theme—the Western heroine is still loving, loyal, and hardly more complicated emotionally than Lassie. The villain however is now quite frequently presented as an emotionally disturbed personality while the hero is likely to be almost as handy with his psychological insights as with his sidearms. However much the Western fundamentalist may deplore this shift in the department of old-fashioned morality, it seems to be a definite trend.

Sugar: Hugh O'Brian as Wyatt Earp.

Sugarfoot: Hutchins and Preston.

There must, I think, be some system of careful rehearsal which presents "spontaneous" round-table discussions and question-and-answer interviews from deteriorating into a brawl. No one on these occasions is ever finally discomfited. At the last possible moment the face that faces the nation is invariably saved by a fresh question, by chairman's intervention, or simply by the bell. Apparently these programs operate on the high-minded Sabbatical principle that there must be more light than heat. As a result we get very little heat, and frequently no light whatever.

For instance, in a recent discussion "Religion and the President" one of the panelists, a professed believer in religious freedom, worked himself into the position of advocating a special oath of office for Roman Catholic candidates for the U.S. Presidency. There was a brief flurry of protest, but in the end nothing came of this interesting point. In a subsequent program, Dr. Herbert York, chief scientist of the A.R.P.A., met a group of interviewers on the subject of America's defence position in relation to the Soviets. Dr. York met every question with an air of great gravity and frankness and didn't allow a word to escape that would either alarm or reassure the nation he was facing.

In *Meet the Press* Soviet Ambassador Michael Menshikov brought an air of shining candor to the ordeal and contrived to duck or divert every question aimed at him. If the interview in this case was rehearsed it was also, obviously controlled and formulated in advance. If it wasn't rehearsed, Mr. Menshikov is a superb actor. In either case, it left one questioning the value of the mass interview.

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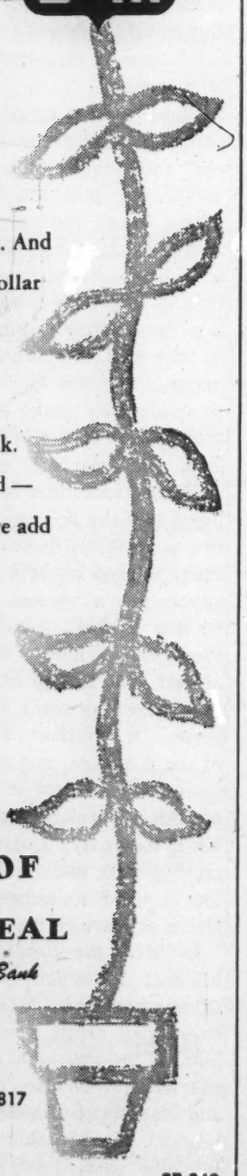

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John Wood Industries

I wonder if you could tell me something about John Wood Industries Ltd. "A" stock. Is it a buy? Is this an American company, as one would judge by its annual report being printed in and mailed from the United States? Or does it rate as a Canadian domestic company with dividends carrying a 20 per cent tax credit? Why did the company change its name from International Metal Industries Ltd.? —M.J., Winnipeg.

John Wood Industries is that rarity in the corporate world — a Canadian company doing a major share of its business in the United States. As a domestic company, dividends are eligible for a 20% tax credit in Canada.

The American complexion of the company's executive staff and the conduct of its corporate activities in the United States are reflected in production of its annual report outside this country.

There was no corporate identity between the names of International Metal Industries and the John Wood Company, under whose aegis U.S. operations are conducted, and John Wood Company Ltd., the Canadian operating vehicle. But by putting the name of Wood in the official title, the company ties its corporate identity to its brand names. This is an aspect of modern joint-stock company management which is receiving increasing attention.

The Wood company subsidiaries produce a wide range of capital hard goods such as petroleum-marketing equipment, water heaters and tanks, dairy-industry metalware and waste receptacles, heating equipment, bulk milk coolers. They also share in defense business.

The "A" stock, of which there are 183,312 shares outstanding, pays quarterly dividends of 40 cents a share, and gives an indicated yield of 5.50 per cent. The dividend was cut from 50 cents a share quarterly last year in reflection of a decline of 30 per cent in company earnings for the year to $1,103,000.

The "A" stock is entitled to a fixed noncumulative dividend of $1.60 a year before any dividend is payable on the 50,000 class "B" shares. After payment of a like amount on the "B" stock both classes share equally in any further dividends in any year.

For this reason, the "A" stock, on which participating earnings in 1957 were $4.18 a share, appears not to be valued highly in relation to earnings and prospects.

Senior to the "A" stock is 23,618 shares $100 par-value preferred and $1,500,000 funded debt, whereas working capital at the end of 1957 totalled $11,559,000. This means that the liquid assets applicable to the combined "A" and "B" stock are in the neighborhod of $7.7 millions or more than $32 per share.

Other assets applicable to combined "A" and "B" stock at the end of 1957 were cash of $145,659 held for redemption of first preferred shares, $6,271,080 fixed assets at depreciated value and $619,624 other assets.

From the foregoing, it is apparent that John Wood "A" stock is considerably undervalued in relation to its breakup value without allowing anything for the company's strong position in its industry.

Cominco

Would you analyze Consolidated Smelters for a regular reader?—B. N., Victoria.

A subsidiary of Canadian Pacific Railway, Consolidated Smelters or Cominco, is a lead-zinc and fertilizer producer based in British Columbia.

Besides the Sullivan mine at Kimberley, B.C., Cominco works a number of other properties and controls Pine Point Mines Ltd. in the Northwest Territories. Exploratory development has proved an extensive lead-zinc deposit at Pine Point and this can be brought into production when suitable conditions prevail.

Cominco in 1957 earned $18,815,832 net or $1.15 a share on its issued 16.4 million shares of capital stock. Net was after $9.5 millions depreciation.

Net working capital at the end of 1957 was $85 millions. The company has no funded debt or other securities senior to capital stock.

Cominco's prospects are tied largely to the market for lead and zinc, outlook for which reflects a current condition of oversupply. Its volume of sales of lead and zinc in 1957 was satisfactory. Of the total, approximately 27% was sold in Canada,

28% in the United States, and 38% in the United Kingdom. Deliveries of substantial quantities of lead to the Japanese market continued.

Although the quantity of these metals sold in 1957 was slightly greater than that of the previous year, the gross revenues from sales decreased by approximately 17% due to the rapid deterioration of world prices when the United States Government announced plans to discontinue purchases both for the strategic stockpile and in connection with the barter program.

It is estimated that in 1957 approximately 10% of the production of lead and zinc by the free world was withdrawn from the market for stockpiling. The decline in prices is a direct result of the United States Government's decision to curtail or discontinue these purchases.

The serious decline in lead and zinc prices resulted in a demand by United States producers for the imposition of higher tariffs on these metals entering the United States.

Cominco is about as well situated as any lead-zinc factor to sit out the period of lower metal prices. It has at the Sullivan mine adequate ore reserves to support its metal plants for several years.

The stock is on an indicated dividend basis of $1.35 a share, yielding 7.83%.

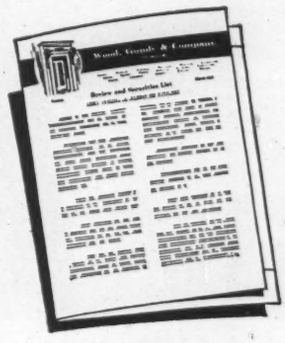
Steel and Wabush

Does the strong tone of Steel of Canada stock come about from the company's interest in the Wabush Lake project? To the amateur investor, relying on press reports, the plan for bringing this marginal iron ore into production seems to have vast implications. What says the oracle? — H. D., London.

That the Wabush Lake iron project, in which the Steel Co. of Canada and Pickands, Mather & Co. each has a 50% interest, has tremendous possibilities is self-evident. Doubtless the increased measure of investor following which Stelco is winning, partly reflects the Wabush situation. Wabush has a huge deposit of low-grade iron which it plans to process into a merchant concentrate. Large amounts of capital would be involved.

Wabush possibilities may not be realized in the early future since the time factor will reflect the outlook for iron markets. Overseas iron consumers, such as Western German steel mills, continue to look good but the chances of the Wabush plan being implemented have to be assessed in the light of the present condition of the North American steel industry.

This has suffered a substantial decline in operating rate. Chances are, when it recovers, it will undergo another round of expansion in capacity, and attain a new high plateau of production. This would eat up iron ore and the Wabush deposit



Current Business Topics

In each issue of our Monthly Review and Securities List we deal with a current business topic or a timely aspect of the Canadian economy. Particulars of a number of recent new Bond and Share issues are included, along with prices and yields of Government, Municipal and Corporation securities available for investment.

We believe you will find the Review and Securities List interesting and helpful. If you wish to obtain a complimentary copy regularly, we shall be pleased to add your name to our mailing list.

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is well situated to feed it. It can ship to the Great Lake steel mills via the St. Lawrence waterways, to eastern plants via the Atlantic Ocean.

Wabush Lake is 150 miles south of the famous Knob Lake iron mines of the Iron Ore Co. of Canada and 60 to 70 miles away from the railway line from Knob Lake to the trans-shipment point of Sept Isles on the lower St. Lawrence. The Wabush company could hook up either with the IOCO railway or the line which US steel plans to build in connection with iron mines in the area.

Stelco is well situated to draw iron ore from its existing sources of supply for several years. Hence, the importance to it of the Wabush project is not so much as a new supply of iron as it is an enlargement of the scope of its activities by putting it into the iron mining and ore-selling business independent of steel making.

The Wabush project is simply one more manifestation of the liveliness of the steel industry, which these columns have emphasized for several years.

McLeod's Ltd.

I would appreciate hearing your views on a new participating preferred stock issued by McLeod's Ltd., a local merchandising organization. — A. O., Winnipeg.

McLeod's Ltd. 6% participating preferred stock ($20 par) carries a dividend of $1.20 a year and is entitled to participating dividends on a basis which would have entitled the holder to extra dividends of 23 cents a share in respect of 1957 earnings.

The company operates a mail order business in western Canada, handling hardware and related lines, light farm equipment, automotive supplies, appliances, work clothing, sporting goods and furniture. Eighty to 85 per cent of its sales are of goods made in Canada. The company is an aggressive and effective user of advertising to attract customers.

McLeod's, which started out in 1917 as a harness house, increased its net profits from $426,115 in 1948 to $1,835,838 in 1957. Its impressive operating record reflects a high degree of development of materials-handling and inventory-control systems.

The company's operations are based on a mail order business, on 63 branch stores and on 70 franchise dealers. It invaded eastern Canada in 1951 via acquisition of a 49% interest in the old Hamilton wholesale-hardware business of Wood, Alexander & James.

WAJ has 25 dealers operating associate stores under the "Crest Hardware" banner and expects the Crest chain to reach 65 units by the year end.

McLeod capital structure comprises 160,000 shares of preferred and 300,000 shares of common preceded by $3.5 million 6% debentures. Current assets, ac-

cording to a pro forma balance sheet of Dec. 31, 1957, were $9,990,319 versus current liabilities of $2,685,279.

Besides its regular 6% (on $20 par) cumulative dividend, the 160,000 shares of preferred stock is entitled to a participating dividend aggregating four per cent of each $40,000 of excess net profits over $800,000 a year. In 1957 the company had net profits of $1,835,838, less a capital gain of $96,103.

The preferred stock is redeemable at $21.50 a share until May 15, 1963, afterwards $21.00 a share. While the call feature limits the profit possibilities, the outlook for substantial participating dividends appears to be good for a few years at least. In the meantime financial position should continue strong.

Hollinger

Has Hollinger Consolidated any attractions as a gold mining investment?—T.L., Quebec City.

The emphasis in Hollinger affairs has shifted to iron from gold. Last year was the first time in its history that a full year of work did not produce a profit from gold mining operations.

On the other hand, Hollinger North Shore Exploration Co., an iron ore subsidiary of the gold producer, had a net profit of $6,981,296 for the year against $6,762,539 in 1957. Labrador Mining and Exploration Co., another iron ore company in which Hollinger has a large interest, had net profit of $4,079,464 against $4,812,607.

Although Hollinger produced $9,697,803 worth of gold bullion from its mine at Timmins, an operating loss of $69,084 was suffered. But payments under the Emergency Gold Mining Assistance Act, dividends from subsidiaries and other miscellaneous income helped the company to report a net profit of $2,751,387, equal to 55.9 cents a share. The year before, net profit was 43 cents a share.

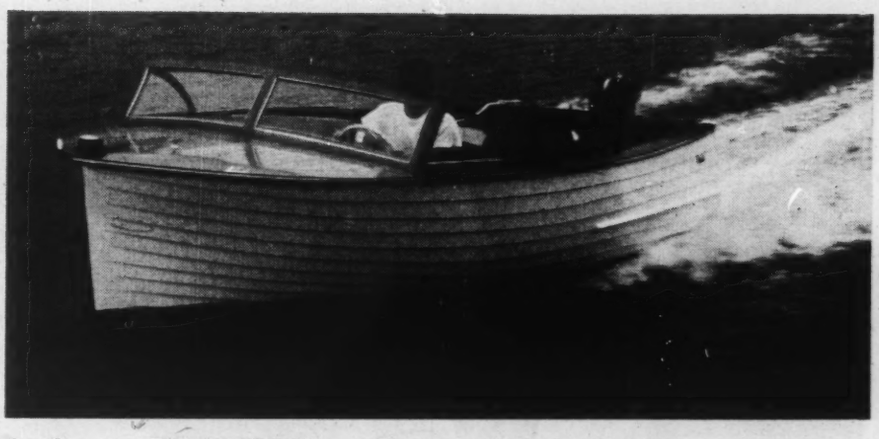
The announcement that some form of assistance to the gold mining industry will be extended to the end of 1960 is assurance that the government recognizes the potential of established gold mines to contribute to the country's economy.

Howard Smith

I would appreciate your comments on Howard Smith Paper Mills common stock. — B. D., Winnipeg.

Selling around $27 a share, Howard Smith pays dividends of $1.20 a year, giving an indicated yield of 4.80%. The dividend is well protected by earnings — $3.66 a share in 1957 — and liquid position is strong.

Company and subsidiaries constitute one of the most diversified units in the pulp and paper industry. It is a major supplier of fine and specialty papers;



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Saturday Night

Dedicated to the specialized job of reporting Canada's business and contemporary affairs.

On Sale Every Second Thursday

20 CENTS A COPY

CANADIAN PACIFIC RAILWAY COMPANY

DIVIDEND NOTICE

At a meeting of the Board of Directors held today a dividend of seventy-five cents per share on the Ordinary Capital Stock was declared in respect of the year 1958, payable in Canadian funds on August 1, 1958, to shareholders of record at 3.30 p.m. on June 20, 1958.

By Order of the Board.
T. F. TURNER,
Secretary.

Montreal, June 9, 1958.

Project to found new WINTER RESORT on south-east coast of British Honduras. Miles of excellent beach. No subscription until it has been blue printed and supervisors appointed.

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to invest your company's excess cash
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Yes,
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have taken care of our
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satisfactory basis
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or what they call
a sale and
repurchase
agreement.
Why don't you give
D.S. a call and
discuss your
problem with
them?

Orders accepted for execution on all stock exchanges

DOMINION SECURITIES CORPN. LIMITED

Established 1901

Toronto Montreal Winnipeg
New York London, Eng.

markets a wide variety of pulps including soda, sulphite and sulphate pulps both at home and abroad; and produces a substantial volume of newsprint and kraft papers. Its output also includes laminates and wallboard used extensively in the construction and building industry, and such byproducts as lignin and vanillin for general industrial purposes. Overall operations for 1957 reflect a mixture of the general level of activity and economic conditions which were experienced in these separate, and to some extent, unrelated markets.

In the field of fine and specialty papers, sales showed a modest increase over those of the previous year. Sales of pulp, particularly in the export field, were at a somewhat lower level, especially in the latter half of the year as were newsprint and kraft paper sales. Laminates, which are marketed under the trade name "Arborite", were up in spite of the lower activity in the building industry. This was mainly as a result of their greater acceptance and utilization for home renovations and other new applications, whereas wallboard which is a staple product, showed a reduction in keeping with the level of activity in the building industry.

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ONE Year: $4.00 2 Years: $6.00 3 Years: $8.00

(Clip and Mail to)

Please send me Saturday Night for the next ..... years.

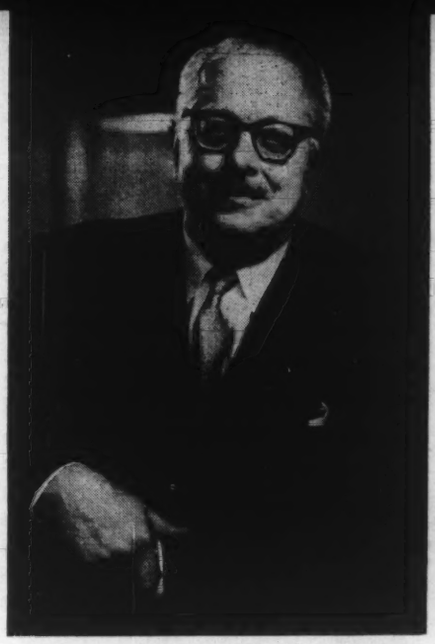
SATURDAY NIGHT
73 RICHMOND STREET WEST, TORONTO

..... Enclosed in Payment ☐ Please Bill Me

Name .....

Address .....

City ..... Prov. .....



Mark Napier.

Who's Who in Business

Mark Napier

Motivating the Desire to Buy

by Paul Nowack

Capsule Comment: The Madison Avenue image of the flanneled and harried advertising executive explodes after a ten-minute conversation with Mark Napier, the 60-year-old vice president and managing director of the Toronto office of the J. Walter Thompson Advertising Agency.

As chief executive of one of the largest advertising offices in the country employing 131 people and as a vice-president and a director of the Canadian subsidiary of what is regarded as the largest agency in the world (34 offices; U.S. and Canadian billings approximately $200 million) he would have every reason to imitate the American version of the power-ridden "huckster". Instead, Napier presents a refreshing attitude of calm thoughtfulness, which, at the same time belies a rugged, precise mind. Employees are amazed at his "$64,000 command" of English literature, and at the affable nature which at a snap can revert to disciplined concentration demanding quick action by his staff.

This curious combination probably accounts for a background which included university training, a stint in the army, a short-lived venture in the dry-goods business and finally a career in advertising which started in London, England and included stop-overs in Paris, Antwerp, Stockholm and Copenhagen before he landed in Canada in 1937.

Since joining the Toronto office 11 years ago in a supervisory capacity, Napier has been instrumental in building the Canadian company's annual billings in excess of $10 million, a total which places it with the top five companies in the field.

Vital Statistics: Born in Birmingham England in 1898, Napier decided to join the army after a high school record which showed writing talent. With service in Mesopotamia behind him he returned to civilian status and enrolled at the University of Grenoble. Campus life lasted a year before he decided to join his uncle's dry-goods business which took him to Sweden. In 1926 he resigned because of a feeling of "restlessness" and a "desire to go into something where I could write and be creative".

A few months later he joined the J. Walter Thompson organization as a copy-writer. Shortly after, at 29 years, he was sent to the Paris office to organize the creative department and be appointed assistant manager. This was followed by posts as assistant manager of the Stockholm office and as Scandinavian manager in Copenhagen. Just before World War II he sold the offices and left the European operation for a job in the Montreal office in a "supernumerary capacity". A few months later he moved to Toronto as copy chief. In 1946 he became managing director of the Toronto office and vice-president of the Canadian company.

Attitudes and Personality: Napier's job consists of being responsible for the profitable operation of the Toronto office, acting on the company's review board (where he is consulted on sticky problems) and forming general policy for the Canadian company as one of the five-member Canadian Board of Directors. He still finds time to personally supervise a half-dozen of the 25-odd lush accounts (which includes Ford of Canada, Canada Packers and Champion Spark Plug Co.) the Toronto office looks after.

These tasks keep him on an 11-hour daily vigil in his small unpretentious green office on University Avenue. A tall (6' 2½") 230 pounder, he talks slowly, his articulateness enhanced by a wry sense of humor. His casual air is fixed by a typical pose which leaves his feet on the desk and his hands clasped in front of him when conversing with close associates.

Napier's pet specialty, which fits in well with company policy, lies in research. Armed with an eight-man research team, intensive investigations are carried out on clients' products (for accuracy in advertising claims) and consumer acceptance by questionnaires and personal interviews. "We feel one of our most important functions is to investigate markets and people's reaction to products.

Random reflections about advertising: "To put it quite simply, most of us live more by emotion than by logic, and advertising caters to people's emotional needs . . . Certainly the industry's billing system of 15% paid by the medium is an anachronism. But in this field competition should be on a basis of quality and not price. I would hate to see the day when competition would be based on price because quality would suffer immeasurably. That is why I don't think there is any logical alternative to the 15% system in our field . . . This subliminal advertising is a weak approach. It is not serving the true purpose of advertising because it does not motivate, it merely reminds one of a desire. To me it is just nonsense."

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Have you discovered a way
to invest your company's excess cash
profitably for short periods
and still retain absolute liquidity?

Yes,
Dominion Securities
have taken care of our
requirements
on an extremely
satisfactory basis
either through
Government of Canada
Treasury Bills
or what they call
a sale and
repurchase
agreement.
Why don't you give
D.S. a call and
discuss your
problem with
them?

Orders accepted for execution on all stock exchanges

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Insurance

by William Sclater

Blue Cross Premiums

I have received notice from Blue Cross, as an individual subscriber, that I have to pay up the premium for the balance of the year at the mid-year term. I will also have to pay up in September to enrol under the government hospital plan. What about my built-up benefits that should have accrued to me under Blue Cross? Are they worth nothing now? And what if I can't afford to pay all this premium in advance? Do I lose everything then?— N. B., Fort William.

There seems to be considerable misunderstanding prevalent about just how Blue Cross subscribers are going to be affected. This will be cleared up as the facts become more generally known. However, as the government plan is for unlimited days in hospital, that angle is taken care of. The old Blue Cross plan can only be looked upon as an expired arrangement.

Blue Cross will not go out of business. Blue Cross will now provide the difference between the public ward level and semi-private. The cost of the new Blue Cross service will be 55 cents a month single and $1.10 a month family rate. The total cost of the government plan and the Blue Cross together will be less than the former Blue Cross coverage cost. You must apply to register, as an individual, under the government plan and pay your first monthly premium in September but you will have no more to pay then until March. You will pay your new Blue Cross rate along with your government premium, at the same time. If, in the meantime, you find the single six-month premium too much I am quite sure Blue Cross will allow you to pay this by the quarter.

Auto Rates

You seem to consider auto insurance rates are low. What is your basis of comparison? — K. C., Vancouver.

I have never said that auto insurance rates are low. I would like to see them lower still but the only way to do that is to reduce the accident rate by proper driver education and reduce the high cost of repairs by improvements in auto design and construction.

But auto rates are low when the insurance companies lose money on auto business. And insurance underwriters lose money on auto business when the loss ratios climb up into the high. sixties. Some years ago the insurance underwriters started to groan when the loss ratio rose into the middle fifties. Now it is touching 70%. Most underwriters are striving desperately to be selective. Some insurers are simply giving up writing auto business as too unprofitable. There is only one way rates can go in these circumstances and that is upward. Let's be realistic about the situation and advocate the things that will bring them down to more normal levels.

Father Liable?

I have a 17-year-old boy in the army, stationed at Camp Borden, Ont. He intends to buy a used car and take out auto insurance. As he is still a minor, I am concerned about any responsibility I may have and, on making enquiry, I have been given three opinions. An auto club official says I would be liable to be sued if my son had a car accident; an insurance agent says my son, being a soldier, cannot be sued but he should deal through an agent near the camp who is used to arranging such insurances through the Assigned Risk plan but he will not get more than 5, 10 and 20 and that I may have some responsibility in the matter. My lawyer says that if he buys the car with his own money I would not be responsible. However, the law states that if a parent is "negligent" he can be held responsible for the acts of a child. With all this conflict will you please tell me whether or not I can be held responsible? — A. N. A., Hamilton, Ont.

I'll go along with your lawyer but let's deal with the objections one at a time. First of all, he is going to buy a car with his own money and take out insurance. As he is obviously a licensed driver, acceptable in the province of Ontario as such, he is on his own in that category and you can have no responsibility there. I have yet to hear of a parent being sued for an accident in such circumstances. I don't see how he could be. If you gave your son a broken-down old car with the wheels falling off and, he, a minor and not licensed to drive had an accident, you could be accused of negligence but that would be an extreme case.

Do not fall for the fallacy that a soldier cannot be sued. Soldiers can be sued in connection with auto accidents just like any other citizens. While it is conceivable that a soldier driving a tank on manoeuvres who slipped over onto a roadway and damaged a car might be a case involving some difficulties, in that you would have to sue the Crown if no damages were paid, the soldier driving his own car to town for off-duty relaxation is in a very different category. He is just as responsible for his actions as any other auto driver and can be held responsible. As a 17-year-old, in the army, he would probably have to go through the assigned risk plan to get coverage, as he is in a high-loss category. He might be a good driver and quite responsible himself but he may lend his car to some chum to drive a bunch of the boys to town for a party and home again, and the insurance is on the car, not the individual driver. If he did have an accident, and the insurance was not sufficient to cover the damages which ensued, he is the one who will be held responsible until the amount owing is paid up. You would have no legal liability for that.

Finally, your son is wearing the uniform of Canada, as a soldier. He is in no sense a "child". He is a citizen responsible for his actions. I doubt you could be held responsible even if you gave him the car but I fully agree with your lawyer, in his opinion that you are not liable to be held responsible.

Accident and Sickness

Who are the principal accident and sickness insurance policy underwriters in Canada? I'd like to know the names of some. —R.F., Halifax.

There are many insurance companies writing accident and sickness business in Canada, all reputable licensed insurers listed in the Blue Book. Those writing more than a million dollars of accident and sickness premium business, on a net earned basis, include:

	$ Millions
Metropolitan Life	16.9
Great-West Life	13.1
London Life	11.1
Continental Casualty	9.7
Zurich Ins.	9.1
Travelers	8.3
Aetna Life	7.6
Mutual Benefit	7.3
Confederation Life	6.1
Prudential Ins.	6.
Mutual Life	4.8
Canada Health & Accdt.	2.9
Western	2.6
Occidental Life	2.2
Industrial Life	1.9
Lloyds	1.8
New York Life	1.7
Crown Life	1.7
British Pacific	1.6
North American Life	1.5
Imperial Life	1.2
Equitable Life	1.2

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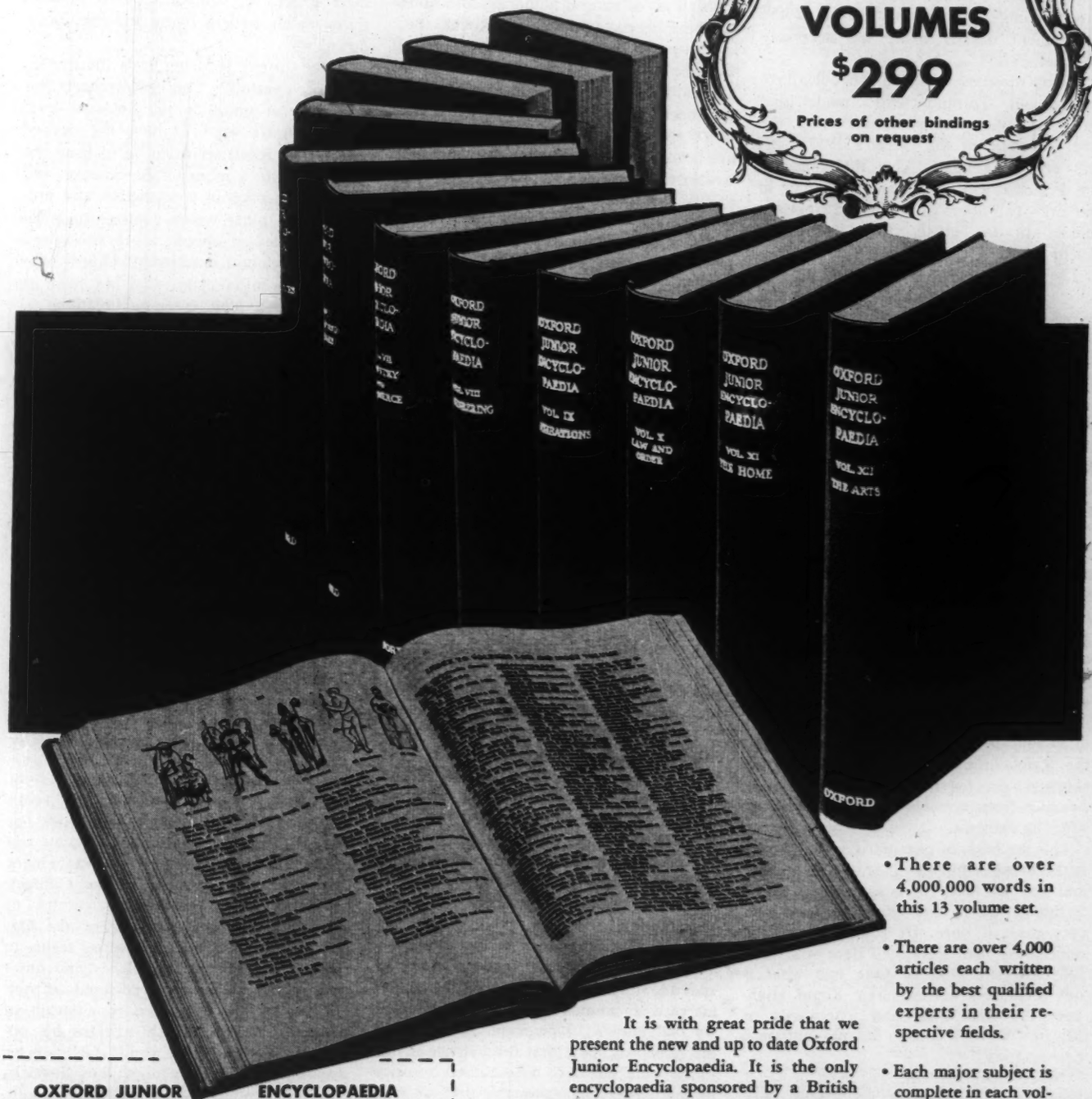

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Protocol

CONTINUED FROM PAGE 11

make their own travel arrangements.

This has brought a howl from correspondents accustomed, on the 1939 and 1951 tours, to having transport provided.

"This is terrible," moped a British correspondent in Ottawa." How are the newspapers going to report her travels if the government doesn't make the necessary arrangements?"

Minor disputes over the schedule have broken out. Toronto, which made loud bitter noises at being omitted from the brief schedule of the Queen's 1957 tour, was protesting again. This time because the Princess will spend only one day in the city—two hours of it shielded from the masses in the crusty Royal Canadian Yacht Club.

The British press is limbering up for another swing at "protocol." The popular critics of royalty—Malcolm Muggeridge the unfunny former editor of Punch and Lord Altrincham, who said the Queen's speeches were a pain in the neck, are hovering in the wings. Peter Townsend will not be coming to Canada–he turned down several offers to write on the tour for newspapers—but he will be here in spirit every time the Princess forgets to smile.

The pattern is taking shape as before. So before the show begins what is this much-reviled "protocol?"

The word's Greek root means "glue". It applied originally to a collection of pleasantries stuck on at the top of any treaty or state document. The protocol was a standard fitting, the important paragraphs were added later.

Nowadays, royal protocol means the do's and don'ts associated with royalty; the series of barricades that prevent the shopgirl—or, for that matter, the Junior Leaguer–from hobnobbing on equal terms with the Princess.

It is the basis of pageantry as the Crown is the fount of honour. It is quaint, archaic and not the least bit North American. It is fascinating, if frightening, to those who only meet it once. Its guardians are the nonchalant men from the Palace who tactfully explain what is done and what is not—"Address her as Your Royal Highness the first time and afterwards as Ma'am: bow or curtsy: do not initiate a conversation."

More than half the required protocol, however, is provided by the Princess herself. Margaret is a product of protocol, brought up under the sternest discipline in the world.

"Remember dear," old Queen Mary used to say. "We are royalty. We never tire and we LOVE hospitals."

From the day she was born to the present, when custom and the Church of England seem to have decreed she remain a spinster, Margaret has been trained to be different.

She is not, as the American press would like to have her, an ordinary girl with too much ancestry, eager to rush out and let her hair down. She was 15 before she was allowed to mingle with a crowd of people—and that was on VE day, a special occasion.

Protocol is her shield. Without it she might be a gay and talented young woman with an air of natural authority. She would not be Princess of the Blood Royal.

The press, radio and TV have popularized the British Royal Family to an extent undreamed of when Princess Margaret was born. The royal images created may be exaggerated and partly fictitious but they are a vital factor in holding the Commonwealth together.

Take away the news media—and there is no point in organizing a royal event.

The Queen planted a tree at Governmet House last fall. Present were five policemen, nine reporters, 50 photographers, seven gardeners and three children. The public did not trouble to show up. Yet millions read of, watched, or heard the event next day.

Take away protocol—treat Princess Margaret like Marilyn Monroe—and the royal show falls on its face. Without dignity, ceremonial and a sense of history, made and in the making, there is nothing.

However much they may dislike each other, the press and protocol go together. It's time they learned to get along.

Rising Prices

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as well as prepared foods of all kinds. We even buy the lowly potato scrubbed clean in small units; years back they were purchased unwashed in large jute bags.

Today we eat less potatoes per capita as well as less cereals. We also eat more meats and fruits. Some interesting facts come from looking at family budgets over the past years. The federal government has made studies of urban family budgets over many years. The average per capita consumption of meats, poultry and fish products—measured in constant dollars—jumped 400 per cent between 1937-38 and 1953. If we look now at the actual increase in pounds on a per capita basis we find only a 19 per cent increase. Our price records show that the balance of the jump could not have been caused by price jumps alone. The answer is that we now eat better meats, fish and poultry.

Food processing costs have also gone up. How this has happened is the subject of a government investigation in price spreads in food. A Royal Commission is now holding meetings on this topic. Whatever the merits of the case of farmer versus processer and retailer, there is little doubt that modern consumer demand for more ready-to-eat foods in fancy packages has increased the cost of foods to the consumer.

All of this takes us back to the original question of the rising cost-of-living. We can see how it appears to be an integral part of our life and how only a major depression might reduce it to the level of several years back.

We can recognize this fact but still ask why our age of plenty should get increasingly expensive. Cannot modern productivity match modern living and keep costs down?

Is the answer to rising costs the institution of controls? The government has done this at times on the financial level but it doesn't seem to have the desired effect. The result seems to be to head the economy into a money-tight situation and then into a drop in construction and production. In other words controls on inflation precede—or appear to—a slow-down of the economic machinery. This is why some economists claim that we have to learn to live with creeping inflation.

Even if this should be true economically it is hardly acceptable politically. The problem will continue to come under investigation and no doubt federal officials will try to make some changes. In any case, the phenomenon is a puzzling, contradictory feature of our modern industrial economy. The recession only brought it sharply into focus.

If the level of living in Canada continues to rise to the level now general in the United States, then, by that example, our costs of living should also go up. Can we reverse the trend? Perhaps, but nobody yet has shown how.

Optimist

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the House of Commons, in contrast with his habitual courtesy towards and consideration for the officials who work for him. Because the Minister of Finance has to handle more business in Parliament than any other member of the Cabinet, he ought to be particularly careful to earn and keep the goodwill of the Opposition. But Mr. Fleming often seems to resent criticisms of his policies and questions about them as a personal affront. His replies are too often in a strain of petulant sarcasm, which irritates his opponents needlessly. He would facilitate his disposal of budgetary and other business, if he would study the methods of a smooth-tongued predecessor, now Mr. Justice Abbott, and act upon the maxim that "one catches more flies with a spoonful of honey than with 20 casks of vinegar."

The presentation of his first Budget must have been somewhat of an ordeal for Mr. Fleming. In opposition he had persistently assailed and baited Liberal Ministries for their financial incompetence

and wasteful extravagances and had repeatedly asserted that a vigorous application of the pruning hook of economy could save the country millions of dollars a year. But, arrived in office, he found himself faced with shrinking revenues and commitments made by his party during the late election, which involved a substantial increase of the estimates for the fiscal year 1958-59 to a total not far short of a $6 billion.

So, in his first Budget speech Mr. Fleming wisely refrained from any high flights of oratory and unfolded the state of the nation's rather disquieting balance sheet and his prescriptions for its improvement in the sort of matter-of-fact way that a competent President of a corporation might use to an annual meeting of its shareholders. However, his opening review of the condition of the national economy and its future prospects was admirable and gave evidence of a painstaking and judicious appraisement of the factors which had produced the present recession and the forces which would operate for its betterment or deterioration in the coming months. He gave a frank exposition of Canada's grievances against the grain marketing and fiscal policies of the United States and stressed the need for "vigorous action of a constructive nature" to redress our present large adverse trade balance with the United States and he outlined some of the objectives which the Government would aim at the forthcoming economic conference of the partners in the British Commonwealth in Montreal. The disclosure that the consequences of the depression had produced for the fiscal year 1957-58 a deficit of $28 million instead of the surplus of $152 million which Walter Harris had forecast was a prelude to the revelation that the Government had decided that the present situation warranted budgeting for a much larger deficit in the current fiscal year and meeting, through loans, most of its capital expenditures, for which the Liberals had usually made provision out of current revenues. For a Tory government it spelled a sad departure from financial orthodoxy, and it naturally ruled out any serious reduction of taxation, but Mr. Fleming felt able to offer a scattering of mild concessions which will be popular with the beneficiaries of them and will cost the Treasury $26 million in a full fiscal year. He based his calculation that the Federal revenues for 1958-59 would, at $4,652 million, fall only $387 million or 8% below last year's receipts on evidence that an upturn in business was visible and would unless it was reversed, lead to a slight gain in the value of gross national production in 1958.

If his Budget did not alter materially the present structure of taxation, it proposed many more changes in the tariff than any of its recent predecessors. Perhaps none of them were of a drastic nature, but they indicated that the Tory party intends to live up to its protectionist traditions and devise as many safeguards for domestic industries against foreign competition as are politically feasible. Particular interest attached to its decision about the recommendations which the Tariff Board had made for the relief of the depressed woollen industry. The Board had supplemented its recommendation that the duties on imports of woollen fabrics from Britain should be increased with a warning that their purpose was to enable the industry to continue its fight for existence pending a decision of high policy by the Cabinet as to whether an industry which led such a precarious existence was worth preserving. Mr. Fleming has evidently persuaded his colleagues that it ought to be preserved, for not only has he given it better protection against competitive imports from Britain, but he has announced his intention of renegotiating item 554 b in the tariff for the purpose of restoring the preferential margin in favor of Britain. But this object can only be achieved by raising the duties on imports of woollen goods from other countries and will entail a cancellation of some of Canada's present commitments under GATT, which might provoke reprisals. He also forecast the passage of a stiffer anti-dumping law to be used as a weapon against unfair foreign competition and it will certainly conflict with Canada's obligations under GATT.

Mr. Fleming was discreetly silent about the British proposals for a free trade union with Canada and he made no reference to the dangerous challenge which Russia may offer to Canada's export trade and which, if effective on a large scale, might make invalid his cautiously optimistic forecast about Canada's economic fortunes. But there is general agreement that he made a creditable presentation of the national balance sheet and tried manfully to put the best possible interpretation upon it.

Terror Wave

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scientists to work with the Doukhobors, of whom representatives of all factions, including the Freedomites, joined in the deliberations of the larger committee.

The research committee proposed the *voluntary* relocation of the Sons of Freedom in a remote part of B.C., where they could no longer terrorize the Kootenay region's 11,000 non-Freedomite Doukhobors, or win converts from their ranks. The Freedomites gratefully agreed to abandon their rural Kootenay slums for their proposed new home, where they would have been helped to rebuild their lives under university guidance. Ottawa was so impressed with this plan that it was ready, late in 1951, to pay the major share of the cost.

But then, in 1952, Social Credit took office in B.C. And to Social Credit Attorney-General Bonner, there was a major flaw in the Freedomite relocation plan. The flaw in the plan, as he saw it, was that it was *voluntary*. Mr. Bonner could conceive of relocating the Freedomites, but only by force. He therefore wrote to Ottawa urging that Parliament enact a law dispensing with *habeas corpus* and enbling him to confine permanently in northern B.C. the entire Freedomite sect. in a stinging reproof to Mr. Bonner released to the press on June 20, 1953, the Minister of Justice flatly rejected the Social Credit proposal. Ottawa's scolding violently incensed B.C.'s Premier Bennett, and caused him to announce that the Sons of Freedom were B.C.'s own problem, which B.C. would solve in its own way.

During the widespread Freedomite demonstrations of 1932, B.C. had seized and forcibly educated the children of the more than 600 Doukhobors jailed in that year. Mr. Mead was later to note that the children in question grew up to be the fanatical spearhead of the far more violent insurrection of 1949-50.

The sagacious Premier Bennett nevertheless decided, in the fall of 1953, that in the destruction of the Freedomite family unit and the compulsory education, in confinement, of the Freedomite children lay the only solution of the problems posed by the fanatical sect.

A relentless campaign of tracking down the children (by means of squads of police assisted by mastiffs) became official B.C. policy, while the Mead committee, as it might be called, withered on the vine and its chief recommendations were flung into the discard.

Before long, about 100 children had been clapped into a school at New Denver, B.C., where they are restrained from escaping and "protected" from their parents by giant wire-mesh fences.

What has been the result of the displacing of Mr. Mead's social scientists by Mr. Bennett's mastiffs and search warrants as instruments of Freedomite reform?

With the death of the consultative committee, the Freedomites' budding faith in democracy also died. They were left with no one with whom they could even discuss their problems.

It was not long before that vacuum was filled, however. And it is those who filled it who are immediately responsible for the impending insurrection.

As Mr. Justice Sullivan discovered in 1947, the Freedomites, with all their faults, had one major virtue. They were uncompromising anti-communists. But after the B.C. Social Credit government's trampling of the seeds of democracy implanted in the sect by the consultative committee, the Freedomites were at last penetrated by the communists.

In East Berlin, an agency directed by a Soviet secret police official named Mikhailov, with the rank of General, was ordered by Moscow to make the most of Premier Bennett's blunders, and in March 1957 a leading communist propagandist from Eastern Canada visited B.C., where he insinuated among the Freedomites the idea of a mass move to Russia so effectively that within a year a Freedomite delegation had gone to Russia and returned to Canada with favoroble reports on possible sites where the sect might resettle in Siberia.

But no sooner had the Freedomites' expectations of migrating reached white heat, than Communist Tim Buck somewhat cooled them by announcing that the Sons of Freedom "will be much happier if they stay in Canada." The Soviet device of fanning to incandescence the Freedomites' hopes before dashing ice water on them is of course entirely deliberate, as it is hard to conceive of any stratagem more sure to drive them to violence.

For now the Freedomites believe that to go to Russia, they must first stage a mammoth new uprising in Canada. It is significant that the RCMP have noted that the recent Freedomite bombings are far more "methodical and scientific" than in the past, as well as more sinister, which suggests that the bombers are receiving outside help.

In earlier uprisings, they tried to avoid bloodshed: for instance by dynamiting the CPR tracks only after consulting schedules to make sure no trains were due. The recent bombing of the Nelson bus terminal evinces no such solicitude for human life, and it is mere luck that no one was killed.

Premier Bennett's answer to the latest bombings was to raise from $5,000 to $25,000 the standing reward for information leading to the conviction of Freedomite terrorists. At this the sect scoffed, and hinted at a mass trek to prison, as in 1932.

So loud have become the demands of non-Freedomite residents of southeastern B.C. for added protection against the growing threat of Freedomite terrorism on a scale without parallel in the past, that on June 9th, Justice Minister Davie Fulton and RCMP Commissioner L. H. Nicholson arrived in Victoria from Ottawa to confer with Premier Bennett and to draft plans for quelling the approaching storm of fire and explosions.

If there is serious loss of life in the major uprising now looming, it will be tragic that Premier Bennett, by reviving the totally discredited use of force in order to "solve the Doukhobor problem," has only succeeded in giving it an entirely new dimension, and in creating an altogether new problem which is clearly stamped with what federal law-enforcement officials describe as serious "international implications."

Brussels Fair

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modesty, of ingenuity and simplicity which is gaining much praise and attention from European visitors.

Whatever else its successes or failures may be, the World's Fair of 1958 is certainly a paradise for architects and civil engineers. The first impression on entering the Fair grounds is stupendous. Vast palaces seem to be made from spun air and sunlight. Bulky structures are apparently suspended from nothing, ready to take off and float into space. Weird and gigantic shapes point sharp aluminum fingers into the air, all against a background of flowers and fountains, artificial lakes and waterfalls that seem to flow backward, and, of course, milling masses of tired, overawed people.

The quarter-billion-dollar Never Never Land is dominated by The Atomium, its official symbol and probably the most ingenious structure of the century.

Nine silvery balls of unearthly dimensions hang in grandiose weightlessness in the sky, the highest of them over 300 feet from the ground. Arranged in the structural shape of an atom, they seem to proclaim the supremacy of technology and the cold laws of nature and make the avowed aims of the Fair—to serve humanity, peace and understanding—look sadly empty and incongruous.

When the visitor ventures inside the grandiose exhibition palaces, he is almost invariably in for a let-down. There are many unique and individually impressive things to see, but to find them it is necessary to thread one's way through a maze of graphs and charts, past photographs and abstract sculptures, fabrics and gadgets, diesel engines, jet engines and yet-to-be-named engines.

The center of attraction is always the wide square dominated by the two largest pavilions which symbolize the contest between East and West. Even by their outward appearance they proclaim the difference in their approach — the Soviet building enormous, monolithic and heavy looking in spite of its translucent glass walls and the United States building light, airy and sophisticated with a somewhat too elaborate attempt at looking friendly and informal.

On entering the U.S. Pavilion, the visitor is first faced by an attractive hodgepodge that is apparently meant to symbolize the scope and variety of the American way of life; Abraham Lincoln's chair, a Hawaian chief's feather cape, a cross section of a Californian redwood tree, a collection of campaign buttons plus a few dozen similarly disconnected "Americana".

Roaming further, one comes across art exhibits, industrial displays, voting machines, drugstores, a newsstand and a round-the-clock fashion show which proves by its enormous attendance that pretty girls in beach clothes are tough competition for even the most authentic working model of an atomic reactor.

Where the Americans are wooing the visitor with gay charm and studied casualness, the Russians are trying to stun him into awed admiration by the sheer size and weight of their industrial might.

Under a giant statue of a benign looking Lenin (Stalin's familiar likeness is conspicuously absent) they have assembled an impressive array of sleek hardware: drilling and mining machinery, sputniks, television sets, optical instruments and gaily colored passenger cars with exotic chrome ornaments that make Detroit's much maligned monsters look like tin lizzies.

Besides every display there are well informed attendants with gold-toothed smiles who are eager to explain in heavily accented but fluent English and French that a shiny Tchaika limousine is available for immediate delivery for the equivalent of $1,500 while a stunning combination tape recorder, record player, radio and TV set costs $2,500 because of limited production.

Large inscriptions along the walls proclaim that Russia's entire ingenuity and vast industrial power is devoted exclusively to the happiness and comfort of mankind, plus assorted bits of heavy handed propaganda, including the old chestnut about Russian agriculture being 95 per cent mechanized today compared to less than one per cent under the Czars.

In spite of a few glaring examples of dishonesty, it can be said that both approaches—the U.S. "soft-sell" and Russia's self-confident flamboyance—manage to tell a difficult and complicated story fairly effectively and convincingly. Especially the European visitors are left with the resigned feeling that the two giants have outgrown, outproduced and out-invented the rest of the world to such a degree that they might as well sit back and enjoy the spectacle.

The other displays, though less pretentious in size and scope, are often even more interesting because of their originality, good taste and sheer showmanship.

The United Kingdom Pavilion, for instance, brilliantly combines proud tradition and an indomitable spirit of progress by leading the visitor through dark passages past showcases containing crown, scepter and mace, samples of advanced research and an antricate model of Zeta, the unique machine that can produce controlled thermonuclear power.

The Vatican displays a stunningly

modernistic church, the Netherlands a scale model dock lapped by real ocean waves and Germany puts the emphasis on art and learning in a strangely beautiful building of fabulously complicated design. There is a giant plastic globe entirely held up by low-pressure air from the inside, where Pan American Airways show films about the development of aviation, a superbly tasteful Austrian Pavilion which succeeds in the next-to-impossible in telling the story of a nation in genuinely human terms and a modest but extremely attractive Israel Building where the hard and tragic path of an ancient people to a modern community is traced with beauty and dignity.

The Canadian Pavilion occupies one of the choice spots of the Fair, high up on a hill between a row of old red maples and the box-like Russian glass cage. The building, in the words of a prominent French architectural commentator, is "a curious edifice of ramps and stairs" and conveys very successfully the openness and width of Canadian space and thinking.

Whatever the faults of its contents may be, it has certainly aroused more interest and comment among European visitors than many of the bigger and more expensive displays. Reactions are almost unanimously favorable, especially to the honest, businesslike quality of the presentation and the absence of ostentatiousness found in so many other pavilions.

"I have just spent a few hours in the Land of the Serious People," is the impression of a Belgian newspaper columnist after visiting the Canadian building. "It's not that Canada is boring, melancholic or unimaginative. It is simply Serious."

Canadians may not be overjoyed at this method of having their national identity presented to the world, but Europeans are tired of frivolity and adventure and admire a country that proclaims that it is taking itself seriously.

Visitors may not have as much fun as they find among the hokum and flashiness of other displays, but they earnestly and conscientiously look over the scale models of Niagara Falls Power Developments and the St. Lawrence Seaway, marvel at Canada's size and variety and show surprise at finding out that tobacco and grapes are grown in a country which is often thought of as an arctic waste-land.

A few legitimate criticisms of the Canadian exhibit are heard occasionally, none of them too serious.

The openness of the building, which produces such attractive effects on bright days, is not entirely suitable to the damp Belgian climate and there have been times when a persistent chilly drizzle swept into clammy halls and corridors.

Some Europeans are finding a few of the industrial displays a little on the dull side, too repetitious and very similar to things found in other pavilions as well.

Too many facets of Canadian life are simply photographed rather than dramatized, though one Belgian commentator admits: "The Great North has two million square miles. What else can you do except photograph it?"

Much complaint has been levelled against the restaurant in the Canadian building which is expensive, features nondescript food and warns patrons with a printed remark on the menu that "there will be a cover charge of 25 Belgian francs if no drinks are ordered."

On the credit side, Canada is scoring a few spectacular hits, such as a lively square dancing group, an excellently staffed Trade Office where prospective customers can get right down to brass tacks in a businesslike atmosphere and, best of all, an Immigration Information Office — the only such agency in the entire World Fair —which advises visitors on how they themselves can become part of the Great Canadian Dream.

There are few, even among the jaded and critical, who fail to admit that, in the world's largest and shiniest showcase, Canada is presenting the story of her land and people, her aspirations and achievements with imagination, restraint and integrity.

Banks in SA

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those seeking to place capital to profitable use in the territory. All other normal commercial services will be provided.

The new bank marks an important step in Canada's developing international trade and provides a three-way link among the Canadian financial community, the City of London (BOLSA is 25% owned by Lloyds Bank of London) and Latin America. To illustrate this new importance, I discussed Canada's position with Sir George.

Are there still large accumulations of capital in Europe?

Sir George Bolton: Accumulation of savings has always been as high in Europe as anywhere in the world. The situation has not changed fundamentally, only in degree. In the United Kingdom savings have increased very rapidly over the past few years, though they are still too small to satisfy all demands—internal, and external—that are made on them. Both Italy and France are important sources of capital. In Italy there has been a complete industrial revolution in the past 10 years, and it is now a stronger country industrially and financially than it has ever been before. The industrial growth of France has been phenomenal: its engineering industry for instance is among the finest in the world. The accumulation of savings in France has been immense, but its strength has been masked by political difficulties. The strength of the West German economy and its capacity for external development are almost too well known to mention.

When did this swing away from the Eastern world begin?

Sir George: This goes right back into the war when the Japanese occupied the territories where western traders formerly operated. The growth of nationalism has seriously restricted trade, to the disadvantage of the nations in the east as much as that of the western trader. Indonesia now appears to be in a state of almost complete anarchy. The one major country in this area which is making a serious attempt to improve its economy is India. But its capital needs are such that only governmental or international agencies can attempt to meet them. They are beyond the scope of the private entrepreneur.

Why should European capital be flowing to Latin America rather than, for instance, Canada?

Sir George: Canada has already received a large inflow of capital from Europe. Until recently, perhaps because of the political instability of some parts of the continent, Latin America received only marginal amounts of capital. Now the flow in that direction shows signs of becoming important.

You said the western world's trading area was in the course of being restricted to Europe, the Americas and parts of the Commonwealth. What did you mean by that?

Sir George: With Russia and China in one bloc, a large part of the trade of the East is under governmental control. The same is true of some other territories. I do not say that trade is impossible with Russia or China; indeed, I think trade with Russia will increase. But when trade is controlled wholly by a government, it tends to come in spasms rather than in a free flow in which the private trader can exercise his skill.

South America has oil, minerals and wheat. Surely she is thus a competitor of Canada?

Sir George: This competition is one of the things that will be dealt with over a period of time by increase in world production and, therefore, in world demand for raw materials.

What are Canada's chances of developing trade with Latin America?

Sir George: Canada must find markets for its manufactured products. It has become

one of the world's great industrial nations. With the population growth forecast you will become a still bigger producer and it is essential that you find an external market for a proportion of your manufactures. South America is an open market, on your doorstep, accessible by sea from both East and West coasts. The only advantage the United States has over you is high volume production, and this is not always relevant. There is room, too, for more two-way trade with Latin America. You could, for instance, take fruit from that area instead of from California. Climate makes Latin America and Canada in many respects complementary.

The words 'common market' have become almost a cliche, but they have been used in Latin America. What meaning could they have for the area, and is achievement likely?

Sir George: Anything of this sort is a long way off. There has been talk, it is true, of a common currency and greater trade between the Latin American republics, but the difficulties are immense. Trade of each individual country has been predominantly seaborne, and with Europe and the United States. Before trade between these nations develops to any great extent there must be a higher standard of living throughout the area—which is coming—and much better land communication. One of the things my bank (BOLSA) and the new bank we are forming with the Bank of Montreal can do to help growth of the area is to give it a single financial link operating, with the branches of the two banks, throughout the whole of Central and South America and the Caribbean islands. This includes the Commonwealth and non-Commonwealth territories in the area.

Are profits in South America higher than for operations in other parts of the world?

Sir George: High profit margins are always associated with inflationary conditions. This is one of the ways in which an entrepreneur maintains a business in being through such a period. In South America lenders demand high rates of interest to offset the depreciation in the value of their money, and this in turn leads to the need for high profit margins by traders.

What opportunities are there for individual Canadians in Latin America?

Sir George: Banking and insurance are two of the administrative businesses in which Canadians do extremely well. The more young Canadians go abroad on this kind of service, or as traders, the more a Canadian body of external knowledge is developed. With Canada's present growth it is essential that the country should live outside itself a little, and institutions like the Royal Bank–which has branches in Latin America and the Caribbean—the insurance companies and now the Bank of London and Montreal give valuable opportunities for Canadians to build up a body of external business experience, as opposed to purely political knowledge.

It is to the advantage of Canada as a whole that this should be done. For it is only when the country has built up a good backlog of such experience, and when this has begun to filter through the business community, that more Canadian firms will be in a position to move down into Latin America. I think I would say, too, that development of more external services, whether of an institutional kind or straight commercial endeavour, will give Canadian youth an alternative to the drag of the United States.

As to opportunities in the banks with which I am associated, let me just say that the biggest problem of any international banker today is not funds, but the provision of skilled manpower.

Free Dope?

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Are they likely to stay off drugs when they get out?

"I don't know," says Dr. G. H. S. Stephenson, who is in charge of the project. "It's too early to tell if we're having any success. It may be years before we know."

A few miles from the jail, in a Vancouver suburb, is the tiny office of the B.C. Narcotics Addiction Foundation. There a more revolutionary approach to the problem is planned.

The Foundation was set up three years ago to take in and treat volunteer addicts off the street. Unfortunately, it has yet to get started. It still can't find accommodation for its treatment centre.

Every time a suitable site appears there are howls from local residents who don't want "dope fiends" in their back yard. And the Foundation director, ex-RCAF officer John McNee, is driven back to his one-room office over a store to try and think of a new location.

"I'm afraid," he smiles wryly, "that we don't have much emotional appeal for the public. Now if we were a home for sick children or something like that . . . .

"When we get it going this will be the first place on the continent where an addict can come for voluntary treatment."

The Foundation was started by Vancouver Community Chest and Council after the 1955 Senate Committee suggested B.C. do something about treating addicts. The provincial government agreed to finance it entirely.

The treatment centre will have beds for 10 or 12 in-patients and an outpatients' clinic. It will not dispense narcotics. At present Mr. McNee does what he can to help addicts released from Oakalla find accommodation and jobs and arranges withdrawal treatment for voluntary patients in private hospitals. (Provincial hospitals won't touch addicts; the small hospitals keep very quiet about them for fear of upsetting their other patients.)

These beginnings in Vancouver and the Mimico drug clinic, which is also new and experimental, represent Canada's only official attempts to "cure" addicts.

I use the inverted commas because most authorities agree it is impossible to "cure" an addict in the same way that an alcoholic cannot be "cured."

But, according to Dr. David Stewart, consultant to the Mimico clinic, that doesn't mean the situation is hopeless. Twenty years ago, he points out, it was considered impossible to do anything for the chronic alcoholic. Now, if he recognises that no cure is permanent and will fight his habit daily, he can stay free of alcohol for the rest of his life.

"Treatment of drug addiction," says Dr. Stewart, "is now at the stage treatment of alcoholism was 20 years ago. We are only just beginning. A drug habit is a far more difficult thing to tackle but if I thought it was hopeless I wouldn't be in this work."

At Lexington, Kentucky, where the U.S. public health department runs the biggest and most advanced drug treatment centre in the world, the research director, Dr. Harris Isbell, will claim only 13 per cent of the patients stay clear of drugs. Most of the patients return for further "cures."

Treatment of addicts is thus a slow, doubtful and frustrating business. There are believed to be about 150 former addicts in Canada today who have stayed off drugs for 10-20 years. Even after 20 years, however, some relapse.

The alternative to treatment, often proposed, is to give the addicts regular supplies of drugs at an economic price—one or two cents per injection.

Why not? This would, it is claimed, wipe out the black market, enable the authorities to keep close tabs on addicts and eliminate the stinking mess of crime and depravity that surrounds the dope colonies. It is done in Britain, say the "free drugs" proponents. And Britain has only 350 addicts (Home Office figures) in a population of nearly 50 million.

However, the great majority of narcotics experts in Canada and the United States are against supplying drugs to addicts. The 1955 Canadian Senate committee condemned any drug clinic scheme. So have the United Nations narcotics commission, last year's U.S. congressional sub-committee on narcotics, the American Medical Association, a U.S. Academy of Sciences committee and a number of other bodies.

Their arguments are:—

1. You cannot cure an addict by keeping him on drugs, even if you reduce the doses.

A Vancouver physician, Dr. J. Ross MacLean, tried this with seven addicts. Two stopped taking treatment when their

dose was reduced to one twelfth of a grain a day; a further two stopped taking drugs and left town, but went back to drugs later; one man took a job and held it as long as he was on a minimum dose but left and plunged back into the black market when the dose was stopped. Another patient stopped drugs, held a job for five months, but relapsed when the RCMP told his employer he was an addict. The seventh, a woman, successfully gave up drugs and married. But her husband was killed shortly afterwards and the shock drove her back to her old ways.

2. An addict needs more and more dope as time goes on. There is no limit to his tolerance of heroin. An alcoholic's tolerance will eventually break—and a bottle-a-day man will find he is drunk on one glass. Not so the dope addict. Some have been known to take 16 grains of heroin a day (40-60 $5 capsules) enough to kill a non-addict outright.

So when does a drug-dispensing clinic decide that an addict has had enough?

3. If an addict is handed supplies of dope to take home he will peddle them to other addicts (or worse, to non-addicts).

If he has to report for his "fix" five or six times a day he will be travelling all day and unable to work.

4. By handing out drugs to support addiction we would be abandoning the addict to his fate—gradual mental and moral deterioration. Although drugs have a less directly damaging effect on the system than alcohol they destroy any remnants of character, produce sexual impotence and may lead to general debility because the addict won't bother to eat.

5. If we reduce the stigma of addiction we risk making it socially acceptable like drinking or smoking. If this should ever happen we can say goodbye to Canada as a nation.

Some of these arguments were borne out by American experience in the early 1920's when 40 narcotics "clinics" were opened.

At Shreveport, La., for example, it was estimated 75 per cent. of all the Texas addicts swarmed into town demanding ten grains of morphine a day and peddling, causing a local crime wave. The doctors in charge of the clinic were making a profit of $1800 a month.

The Rochester, N.Y., clinic became a centre of dope smuggling across the Canadian border. Numbers of "unofficial" addicts moved in, living off the addicts registered at the clinic.

By 1923, all the U.S. clinics had been closed.

In Britain, a doctor can prescribe drugs for an addict patient if he sees no other way of treating him. It is up to the doctor. He is not encouraged to supply drugs simply to gratify addiction, but he can prescribe drugs for self-administration.

In Canada, doctors are more strictly supervised. They are supposed to use narcotics only for "treatment" and are not allowed to prescribe them for use outside the surgery.

In principle, however, doctors in both countries are free to treat patients as they see fit. There is no large scale dope trafficking in Britain, partly because addicts can get drugs cheaply under socialized medicine and partly because the British underworld is inhospitable towards addicts.

It is unlikely that loosening of control or prescriptions here would either kill the black market or control the addicts.

Our situation is much worse than that in Britain and must be handled that much more carefully.

It is important to remember that narcotics are essential medical drugs. Heroin is being eliminated here, despite protests, but morphine and the long list of synthetic drugs must stay. These are the analgesics, the pain killers. And every potent analgesic so far discovered is an addicting drug.

Most of the narcotics experts I interviewed across Canada agreed that treatment of addicts (without using narcotics) is the only approach. And that after-care and follow-up treatment of addicts once they are released from hospital or jail is the secret of success.

An addict must be confined for at least six months after his withdrawal from drugs. After that he must be encouraged to fight his own battle against his habit, but he must be watched and helped, too.

When he comes off drugs he is, as psychologist George Luce of the Mimico clinic put it, "like a man who has lived in a soundproof room for five years." Everything upsets him.

To stay off, he must have work and a new purpose in life. If he is allowed to drift back to his old friends he goes straight back to drugs.

If the dope problem is to be tackled seriously in Canada a complete system of withdrawal treatment, psychiatric care, social welfare and after-care must be set up in British Columbia, Ontario and Quebec, the provinces most affected.

This will cost money and may take a long time to produce results. But the dope habit costs us money already—every male addict has to steal $50 worth of goods a day to keep himself supplied. It costs us lives, too—young lives. There is no drug addiction in Canadian schools, but this could come as it has done in New York.

The dope menace has been described by U.S. narcotics commissioner Harry Anslinger as "death on the instalment plan." It has killed individuals and nations.

The menace itself cannot be killed instantly, but only by heavy and regular instalments of cash, patience and effort. Canada's next instalment should be an elaborate and efficient treatment system for addicts.

The instalment is already overdue.

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that the following dividends have been declared:

NO PAR VALUE COMMON SHARES DIVIDEND NUMBER 204

A dividend of seventeen cents (17c) per share for the quarter ending June 30, 1958 payable August 25, 1958 to shareholders of record July 15, 1958.

NO PAR VALUE CLASS "A" COMMON SHARES DIVIDEND NUMBER 6

A dividend of thirty three an one third cents (331/3c) per share payable August 15, 1958 to shareholders of record July 18, 1958.

By Order of the Board,

R. R. MERIFIELD, Secretary.

Montreal, June 23, 1958

THE SHAWINIGAN WATER AND POWER COMPANY

NOTICE is hereby given that a dividend of fifty cents (50c) per share on the Series "A" 4% Cumulative Redeemable Preferred Shares and a dividend of fifty-six and one quarter cents (56¼c) on the Series "B" 4½% Cumulative Redeemable Preferred Shares of the Company have been declared for the quarter ending September 30, 1958 payable October 2, 1958 to shareholders of record September 2, 1958.

By Order of the Board.

R. R. MERIFIELD, Secretary.

Montreal, June 23, 1958

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Editorials

What's Their Line?

THERE WERE no real surprises in Finance Minister Flemings's budget. A substantial deficit was inevitable. Some tariff protection for ailing industries could be expected. And in the light of heavy deficit financing, no reasonable person could hope for an easing of the tax burden.

What puzzles us is the economic philosophy behind the budget. Do Messrs. Diefenbaker, Fleming et al have a consistent line of economic reasoning or are they groping their way through a foggy vision of "national development" towards a still obscure goal?

The answer cannot be found in the budget, which seemed to be a thing of expediency, designed to meet the main requirements of a current economic situation, rather than the beginning of a coherent policy.

Consider the matter of tariffs. Mr. Fleming raised the duty on British woollens, but did nothing about other foreign woollens until "negotiations" could be undertaken. Yet Mr. Diefenbaker and his colleagues have been talking about the need for more substantial trade with the United Kingdom. And if the purpose was to give a tonic to the run-down domestic textiles industry, the dose was more of a placebo than a proper medicine.

The Conservative ministers, too, have been urging management to show leadership in development of industry and markets, labor to show restraint in demands, and citizens in general to buy more goods. Yet the budget did nothing to encourage any of these activities. Indeed, it could have an opposite effect. The splurge of government spending, particularly on public works, cannot help but be inflationary. The maintenance of tax levels is scarcely an encouragement to corporative or individual spending. Most important, the ambitious borrowing program outlined by Mr. Fleming will put inexorable pressure on the money market. There is only so much money available. Mr. Fleming proposes to take a huge chunk of it for government purposes. Can he do this without making less money available for businesses and individuals seeking credit? And can he do it without forcing interest rates up once again? We doubt it.

Between now and the time for the next budget, we hope Mr. Diefenbaker and Mr. Fleming can give the nation a clearer view of the economic course to be followed by the Conservative Government. Until then, we can only wonder if they are going to tack with every change of wind blowing across the surface of the nation's business.

The Smell Of TV

WE LEARN from the *Winnipeg Free Press* that "somebody in England has so fixed up a television set that it will emit odors appropriate to the program appearing on the screen." This is undoubtedly the most revolting development since the sack and chemise fashions for women.

In North America at least, television has been largely taken over by the medicine men. The picture tube has become a hypochondriac's heaven. And when the peddlers of pills for headaches, disturbed stomachs, aching joints and distended bellies are not hawking their nostrums, the salesmen of ointments, deodorants, tooth cleansers and cosmetics are getting pretty personal with their audiences. One moment they're messing around with somebody's precious liver bile and the next they're practically accusing the docile watcher of being a stinking slob.

All this and "suitable odors" too? Never!

The Seaway Tolls

NO ONE CAN tell, at this stage, whether the proposed tolls to be levied on ships using the St. Lawrence Seaway are in general too high or too low. What is clear is that the tolls, announced recently in Ottawa and Washington, will have to be adjusted to the volume and type of traffic in the Seaway after it is in operation. Also obvious are two errors in detail.

It is proposed to charge a flat rate of 42 cents per ton on all bulk cargo for each trip through the Seaway. This would be in addition to hull rates. Ignored is the fact that there is a tremendous difference in the per ton value of various cargoes. A ton of coal has a different value from a ton of oil or iron ore or potash. The flat rate is therefore discriminatory and will have to be adjusted as soon as the Seaway authorities have had experience with the types of cargoes being moved from the Atlantic into the Great Lakes and back.

A more glaring error is the plan for tolls on passage through the Welland Canal. It is proposed to charge two cents per registered ton on the ship, two cents on bulk cargo and five cents on general cargo.

All that has been done to the Welland Canal is a deepening of the channel to 27 feet to handle ships of greater draught. This does not justify tolls on a waterway that is used constantly by lake vessels. The increased cost of operating these vessels will inevitably mean higher prices for the consumers of the products carried in their holds.

If traffic increases as much as expected, considerable work will have to be done on the Welland Canal to handle the greater flow. That should be the time to think about tolls to pay for improvements. Until then, no penalty should be imposed on lake shipping for work that is being done largely for foreign shipping.

Bleeding Hearts

THE LITTLE town of Lindsay, in one of Ontario's loveliest resort areas, planned on having a mock bullfight as one of its holiday attractions. It would be a harmless affair, a spectacle of fun instead of savagery. But there was an immediate hullabaloo from so-called animal lovers and people who seem to live in a constant state of indignation. There were even questions asked in the House of Commons and the Minister of Justice felt it necessary to make a cautious statement concerning the illegality of blood sports.

Much the same sort of thing happened when the Russians sent a dog aloft in a Sputnik. There were demands that the UN put an end to such brutality, that men be substituted for dogs, that other nations agree to keep their dogs on the ground, and so on.

The protesters make us sick.

While the little Russian dog was whirling in space, hundreds of thousands of children were dying needlessly. They were being crushed under the wheels of cars, smashed in traffic accidents, killed by hunger and disease and lack of care. But the dog-lovers did not seem to be at all worried about what was happening to the children—and to all the other human beings, young and old, who were unable to live and die as human beings should.

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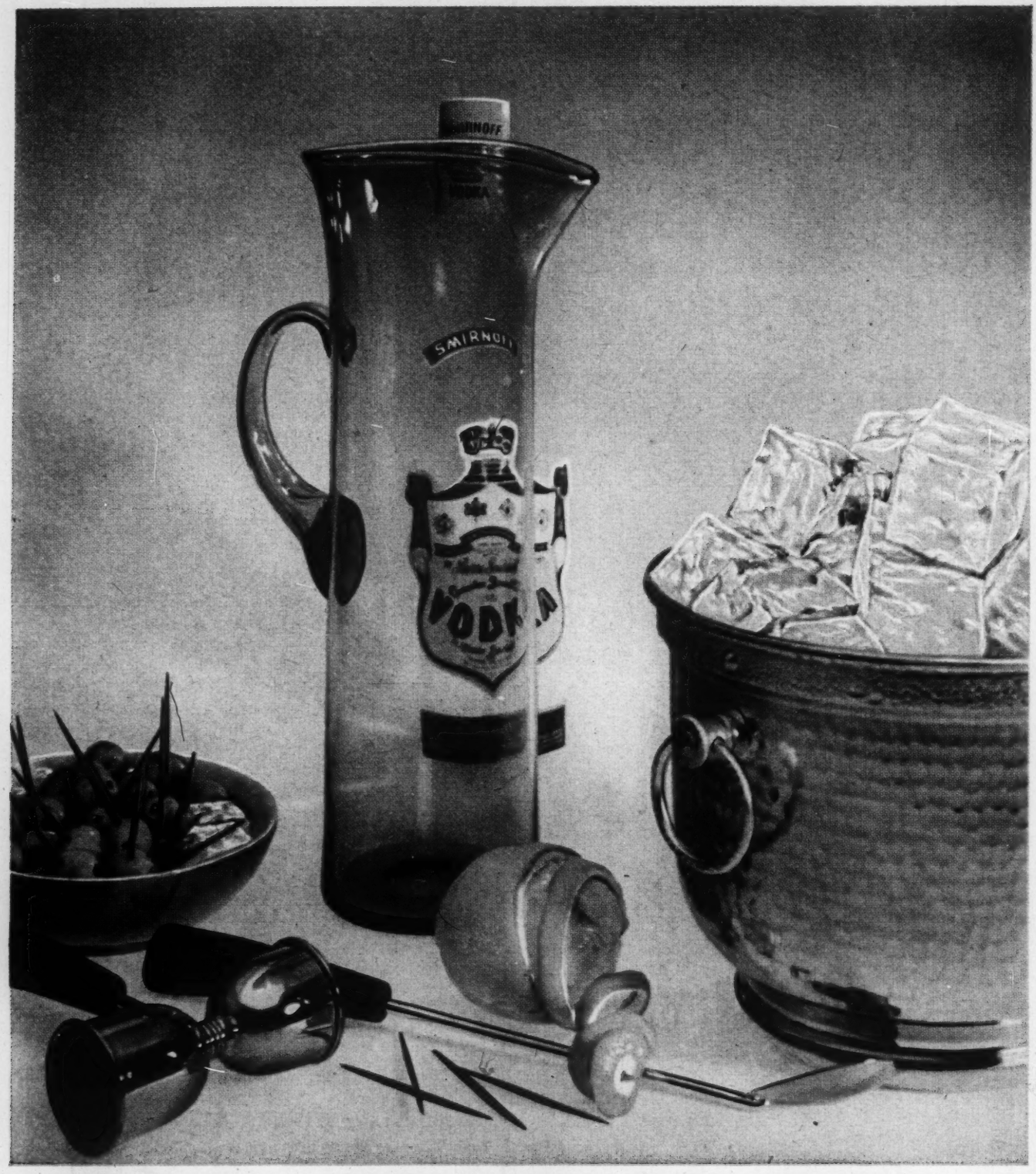

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